

HB 1001-2— Filed 04/29/2007, 17:43

CONFERENCE COMMITTEE REPORT DIGEST FOR EHB 1001

Citations Affected: Numerous provisions throughout the Indiana Code.

Synopsis: Budget bill. Appropriates money for state agencies and makes other distributions. Specifies a school funding formula. Requires a study of the efficiency and effectiveness of charter schools, requires a coordination of benefits study, establishes the sentencing policy committee, establishes the school of public health, and establishes the commission on disproportionality in youth services. Provides a review procedure for state university tuition increases. Provides for the funding of the department of insurance from fees. Repays delayed payments to political subdivisions and universities. Requires the state to reimburse a county for trial costs related to certain remanded cases. Increases the distribution of sales tax revenue to mass transit purposes. Makes changes concerning double up and fast track college credit programs. Extends the court fee uses to fund a court computerization program. Approves bonding for capital projects. Extends the period in which pension bonds may be repaid. Requires review of certain private contracts. Authorizes additional courts and magistrates. Establishes the spinal cord and brain injury trust fund. Indicates that money in certain student loan funds remains available for expenditure after the year in which the money is appropriated. Increases the tobacco products tax to provide an additional distribution to the affordable housing trust and community development fund. Permits a convention hotel to be included in an allocation area. Changes references from vocational education to career and technical education. Exempts election workers from social security withholding. Extends the pension relief fund. Expands the uses of the postwar construction fund. Designates the use of a recovery from United Airlines. Makes changes in certain salary matrices. Makes changes in the Orange County riverboat and historic hotel district preservation law. Makes conforming changes to conflicting versions of the bad debt sales tax deduction. Terminates a property tax investment deduction. Provides a tax exemption for certain activities related to the conduct of a Super Bowl in Indiana. Updates references to the Internal Revenue Code. Creates a prekindergarten pilot program. Provides for a refund of property taxes paid for a homestead in 2007 and an additional homestead credit in 2008. Provides for the change of a riverboat redevelopment agreement in East Chicago. Makes other changes. (This conference committee report deletes certain provisions adopted by the Senate,

inserts certain provisions adopted in House passed version of the bill, and inserts various other provisions.)

Effective: Upon passage; January 1, 2007 (retroactive); July 1, 2007; August 1, 2007; January 1, 2008; January 1, 2009.

Adopted

Rejected

CONFERENCE COMMITTEE REPORT

MR. SPEAKER:

Your Conference Committee appointed to confer with a like committee from the Senate upon Engrossed Senate Amendments to Engrossed House Bill No. 1001 respectfully reports that said two committees have conferred and agreed as follows to wit:

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT concerning state and local administration and to make an appropriation.

Delete everything after the enacting clause and insert the following:

SECTION 1. [EFFECTIVE JULY 1, 2007]

(a) The following definitions apply throughout this act:

(1) "Augmentation allowed" means the governor and the budget agency are authorized to add to an appropriation in this act from revenues accruing to the fund from which the appropriation was made.

(2) "Biennium" means the period beginning July 1, 2007, and ending June 30, 2009.

Appropriations appearing in the biennial column for construction or other permanent improvements do not revert under IC 4-13-2-19 and may be allotted.

(3) "Deficiency appropriation" or "special claim" means an appropriation available during the 2006-2007 fiscal year.

(4) "Equipment" includes machinery, implements, tools, furniture, furnishings, vehicles, and other articles that have a calculable period of service that exceeds twelve (12) calendar months.

(5) "Fee replacement" includes payments to universities to be used to pay indebtedness resulting from financing the cost of planning, purchasing, rehabilitation, construction, repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment to be used for academic and instructional purposes.

(6) "Federally qualified health center" means a community health center that is designated by the Health Resources Services Administration, Bureau of Primary Health Care, as a Federally Qualified Health Center Look Alike under the FED 330 Consolidated

Health Center Program authorization, including Community Health Center (330e), Migrant Health Center (330g), Health Care for the Homeless (330h), Public Housing Primary Care (330i), and School Based Health Centers (330).

(7) "Other operating expense" includes payments for "services other than personal", "services by contract", "supplies, materials, and parts", "grants, subsidies, refunds, and awards", "in-state travel", "out-of-state travel", and "equipment".

(8) "Pension fund contributions" means the state of Indiana's contributions to a specific retirement fund.

(9) "Personal services" includes payments for salaries and wages to officers and employees of the state (either regular or temporary), payments for compensation awards, and the employer's share of Social Security, health insurance, life insurance, dental insurance, vision insurance, deferred compensation - state match, leave conversion, disability, and retirement fund contributions.

(10) "SSBG" means the Social Services Block Grant. This was formerly referred to as "Title XX".

(11) "State agency" means:

(A) each office, officer, board, commission, department, division, bureau, committee, fund, agency, authority, council, or other instrumentality of the state;

(B) each hospital, penal institution, and other institutional enterprise of the state;

(C) the judicial department of the state; and

(D) the legislative department of the state.

However, this term does not include cities, towns, townships, school cities, school townships, school districts, other municipal corporations or political subdivisions of the state, or universities and colleges supported in whole or in part by state funds.

(12) "State funded community health center" means a public or private not for profit (501(c)(3)) organization that provides comprehensive primary health care services to all age groups.

(13) "Total operating expense" includes payments for both "personal services" and "other operating expense".

(b) The state board of finance may authorize advances to boards or persons having control of the funds of any institution or department of the state of a sum of money out of any appropriation available at such time for the purpose of establishing working capital to provide for payment of expenses in the case of emergency when immediate payment is necessary or expedient. Advance payments shall be made by warrant by the auditor of state, and properly itemized and receipted bills or invoices shall be filed by the board or persons receiving the advance payments.

(c) All money appropriated by this act shall be considered either a direct appropriation or an appropriation from a rotary or revolving fund.

(1) Direct appropriations are subject to withdrawal from the state treasury and for expenditure for such purposes, at such time, and in such manner as may be prescribed by law. Direct appropriations are not subject to return and rewithdrawal from the state treasury, except for the correction of an error which may have occurred in any transaction or for reimbursement of expenditures which have occurred in the same fiscal year.

(2) A rotary or revolving fund is any designated part of a fund that is set apart as working capital in a manner prescribed by law and devoted to a specific purpose or purposes. The fund consists of earnings and income only from certain sources

or a combination thereof. The money in the fund shall be used for the purpose designated by law as working capital. The fund at any time consists of the original appropriation thereto, if any, all receipts accrued to the fund, and all money withdrawn from the fund and invested or to be invested. The fund shall be kept intact by separate entries in the auditor of state's office, and no part thereof shall be used for any purpose other than the lawful purpose of the fund or revert to any other fund at any time. However, any unencumbered excess above any prescribed amount shall be transferred to the state general fund at the close of each fiscal year unless otherwise specified in the Indiana Code.

SECTION 2. [EFFECTIVE JULY 1, 2007]

For the conduct of state government, its offices, funds, boards, commissions, departments, societies, associations, services, agencies, and undertakings, and for other appropriations not otherwise provided by statute, the following sums in SECTIONS 3 through 10 are appropriated for the periods of time designated from the general fund of the state of Indiana or other specifically designated funds.

In this act, whenever there is no specific fund or account designated, the appropriation is from the general fund.

SECTION 3. [EFFECTIVE JULY 1, 2007]

GENERAL GOVERNMENT

A. LEGISLATIVE

FOR THE GENERAL ASSEMBLY

LEGISLATORS' SALARIES - HOUSE

Total Operating Expense	4,203,191	4,870,227
-------------------------	-----------	-----------

HOUSE EXPENSES

Total Operating Expense	9,936,755	10,097,001
-------------------------	-----------	------------

LEGISLATORS' SALARIES - SENATE

Total Operating Expense	1,571,845	1,596,366
-------------------------	-----------	-----------

SENATE EXPENSES

Total Operating Expense	9,833,000	10,905,931
-------------------------	-----------	------------

Included in the above appropriations for house and senate expenses are funds for a legislative business per diem allowance, meals, and other usual and customary expenses associated with legislative affairs. Except as provided below, this allowance is to be paid to each member of the general assembly for every day, including Sundays, during which the general assembly is convened in regular or special session, commencing with the day the session is officially convened and concluding with the day the session is adjourned sine die. However, after five (5) consecutive days of recess, the legislative business per diem allowance is to be made on an individual voucher basis until the recess concludes.

Members of the general assembly are entitled, when authorized by the speaker of the house or the president pro tempore of the senate, to the legislative business per

1 diem allowance for each and every day engaged in official business.

2
3 The legislative business per diem allowance that each member of the general assembly
4 is entitled to receive equals the maximum daily amount allowable to employees of
5 the executive branch of the federal government for subsistence expenses while away
6 from home in travel status in the Indianapolis area. The legislative business per
7 diem changes each time there is a change in that maximum daily amount.

8
9 In addition to the legislative business per diem allowance, each member of the general
10 assembly shall receive the mileage allowance in an amount equal to the standard mileage
11 rates for personally owned transportation equipment established by the federal Internal
12 Revenue Service for each mile necessarily traveled from the member's usual place
13 of residence to the state capitol. However, if the member traveled by a means other
14 than by motor vehicle, and the member's usual place of residence is more than one
15 hundred (100) miles from the state capitol, the member is entitled to reimbursement
16 in an amount equal to the lowest air travel cost incurred in traveling from the usual
17 place of residence to the state capitol. During the period the general assembly is
18 convened in regular or special session, the mileage allowance shall be limited to
19 one (1) round trip each week per member.

20
21 Any member of the general assembly who is appointed, by the governor, speaker
22 of the house, president or president pro tempore of the senate, house or senate minority
23 floor leader, or Indiana legislative council to serve on any research, study, or
24 survey committee or commission, or who attends any meetings authorized or convened
25 under the auspices of the Indiana legislative council, including pre-session conferences
26 and federal-state relations conferences, is entitled, when authorized by the legislative
27 council, to receive the legislative business per diem allowance for each day in actual
28 attendance and is also entitled to a mileage allowance, at the rate specified above,
29 for each mile necessarily traveled from the member's usual place of residence to
30 the state capitol, or other in-state site of the committee, commission, or conference.
31 The per diem allowance and the mileage allowance permitted under this paragraph shall
32 be paid from the legislative council appropriation for legislator and lay member
33 travel unless the member is attending an out-of-state meeting, as authorized by the
34 speaker of the house of representatives or the president pro tempore of the senate,
35 in which case the member is entitled to receive:

- 36 (1) the legislative business per diem allowance for each day the member is engaged
37 in approved out-of-state travel; and
38 (2) reimbursement for traveling expenses actually incurred in connection with the
39 member's duties, as provided in the state travel policies and procedures established
40 by the legislative council.

41
42 Notwithstanding the provisions of this or any other statute, the legislative council
43 may adopt, by resolution, travel policies and procedures that apply only to members
44 of the general assembly or to the staffs of the house of representatives, senate,
45 and legislative services agency, or both members and staffs. The legislative council
46 may apply these travel policies and procedures to lay members serving on research,
47 study, or survey committees or commissions that are under the jurisdiction of the
48 legislative council. Notwithstanding any other law, rule, or policy, the state travel
49 policies and procedures established by the Indiana department of administration and

approved by the budget agency do not apply to members of the general assembly, to the staffs of the house of representatives, senate, or legislative services agency, or to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council (if the legislative council applies its travel policies and procedures to lay members under the authority of this SECTION), except that, until the legislative council adopts travel policies and procedures, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency apply to members of the general assembly, to the staffs of the house of representatives, senate, and legislative services agency, and to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council. The executive director of the legislative services agency is responsible for the administration of travel policies and procedures adopted by the legislative council. The auditor of state shall approve and process claims for reimbursement of travel related expenses under this paragraph based upon the written affirmation of the speaker of the house of representatives, the president pro tempore of the senate, or the executive director of the legislative services agency that those claims comply with the travel policies and procedures adopted by the legislative council. If the funds appropriated for the house and senate expenses and legislative salaries are insufficient to pay all the necessary expenses incurred, including the cost of printing the journals of the house and senate, there is appropriated such further sums as may be necessary to pay such expenses.

LEGISLATORS' SUBSISTENCE

LEGISLATORS' EXPENSES - HOUSE

Total Operating Expense	2,455,520	2,432,543
-------------------------	-----------	-----------

LEGISLATORS' EXPENSES - SENATE

Total Operating Expense	1,200,000	1,150,000
-------------------------	-----------	-----------

Each member of the general assembly is entitled to a subsistence allowance of forty percent (40%) of the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area:

(1) each day that the general assembly is not convened in regular or special session; and

(2) each day after the first session day held in November and before the first session day held in January.

However, the subsistence allowance under subdivision (2) may not be paid with respect to any day after the first session day held in November and before the first session day held in January with respect to which all members of the general assembly are entitled to a legislative business per diem.

The subsistence allowance is payable from the appropriations for legislators' subsistence.

The officers of the senate are entitled to the following amounts annually in addition to the subsistence allowance: president pro tempore, \$7,000; assistant president pro tempore, \$3,000; majority floor leader, \$5,500; assistant majority floor leader, \$3,500; majority caucus chair, \$5,500; assistant majority caucus chair, \$1,500;

appropriations committee chair, \$5,500; tax and fiscal policy committee chair, \$5,500; appropriations committee ranking majority member, \$2,000; tax and fiscal policy committee ranking majority member, \$2,000; majority whip, \$4,000; assistant majority whip, \$2,000; minority floor leader, \$6,000; minority leader pro tempore emeritus, \$1,500; minority caucus chair, \$5,000; minority assistant floor leader, \$5,000; appropriations committee ranking minority member, \$2,000; tax and fiscal policy committee ranking minority member, \$2,000; minority whip, \$3,000; assistant minority whip, \$1,000; assistant minority caucus chair, \$1,000; agriculture and small business committee chair, \$1,000; commerce, public policy, and interstate cooperation committee chair, \$1,000; corrections, criminal, and civil matters committee chair, \$1,000; energy and environmental affairs committee chair, \$1,000; pensions and labor committee chair, \$1,000; health and provider services committee chair, \$1,000; insurance and financial institutions committee chair, \$1,000; and natural resources committee chair, \$1,000.

Officers of the house of representatives are entitled to the following amounts annually in addition to the subsistence allowance: speaker of the house, \$6,500; speaker pro tempore, \$5,000; deputy speaker pro tempore, \$1,500; majority leader, \$5,000; majority caucus chair, \$5,000; assistant majority caucus chair, \$1,000; ways and means committee chair, \$5,000; ways and means committee ranking majority member, \$3,000; ways and means committee, chairman of the education subcommittee, \$1,500; speaker pro tempore emeritus, \$1,500; budget subcommittee chair, \$3,000; majority whip, \$3,500; assistant majority whip, \$1,000; assistant majority leader, \$1,000; minority leader, \$5,500; minority caucus chair, \$4,500; ways and means committee ranking minority member, \$3,500; minority whip, \$2,500; assistant minority leader, \$4,500; second assistant minority leader, \$1,500; and deputy assistant minority leader, \$1,000.

If the senate or house of representatives eliminates a committee or officer referenced in this SECTION and replaces the committee or officer with a new committee or position, the foregoing appropriations for subsistence shall be used to pay for the new committee or officer. However, this does not permit any additional amounts to be paid under this SECTION for a replacement committee or officer than would have been spent for the eliminated committee or officer. If the senate or house of representatives creates a new additional committee or officer, or assigns additional duties to an existing officer, the foregoing appropriations for subsistence shall be used to pay for the new committee or officer, or to adjust the annual payments made to the existing officer, in amounts determined by the legislative council.

If the funds appropriated for legislators' subsistence are insufficient to pay all the subsistence incurred, there are hereby appropriated such further sums as may be necessary to pay such subsistence.

FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY

Total Operating Expense	9,244,000	9,605,000
LEGISLATOR AND LAY MEMBER TRAVEL		
Total Operating Expense	610,000	635,000

Included in the above appropriations for the legislative council and legislative services agency expenses are funds for usual and customary expenses associated with legislative services.

If the funds above appropriated for the legislative council and the legislative services agency and legislator and lay member travel are insufficient to pay all the necessary expenses incurred, there are hereby appropriated such further sums as may be necessary to pay those expenses.

Any person other than a member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or legislative council to serve on any research, study, or survey committee or commission is entitled, when authorized by the legislative council, to a per diem instead of subsistence of \$75 per day during the 2007-2009 biennium. In addition to the per diem, such a person is entitled to mileage reimbursement, at the rate specified for members of the general assembly, for each mile necessarily traveled from the person's usual place of residence to the state capitol or other in-state site of the committee, commission, or conference. However, reimbursement for any out-of-state travel expenses claimed by lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council shall be based on SECTION 14 of this act, until the legislative council applies those travel policies and procedures that govern legislators and their staffs to such lay members as authorized elsewhere in this SECTION. The allowance and reimbursement permitted in this paragraph shall be paid from the legislative council appropriations for legislative and lay member travel unless otherwise provided for by a specific appropriation.

CENTER FOR EVALUATION & EDUCATION POLICY STUDY OF CHARTER SCHOOLS	
Total Operating Expense	100,000

LEGISLATIVE COUNCIL CONTINGENCY FUND	
Total Operating Expense	223,614

Disbursements from the fund may be made only for purposes approved by the chairman and vice chairman of the legislative council.

The legislative services agency shall charge the following fees, unless the legislative council sets these or other fees at different rates:

Annual subscription to the session document service for sessions ending in odd-numbered years: \$900

Annual subscription to the session document service for sessions ending in even-numbered years: \$500

Per page charge for copies of legislative documents: \$0.15

Annual charge for interim calendar: \$10

Daily charge for the journal of either house: \$2

PRINTING AND DISTRIBUTION

1	Total Operating Expense	872,000	905,000
---	--------------------------------	----------------	----------------

2

3 The above funds are appropriated for the printing and distribution of documents published
 4 by the legislative council. These documents include journals, bills, resolutions,
 5 enrolled documents, the acts of the first and second regular sessions of the 115th
 6 general assembly, the supplements to the Indiana Code for fiscal years 2007-2008
 7 and 2008-2009, and the publication of the Indiana Administrative Code and the Indiana
 8 Register. Upon completion of the distribution of the Acts and the supplements to
 9 the Indiana Code, as provided in IC 2-6-1.5, remaining copies may be sold at a price
 10 or prices periodically determined by the legislative council. If the above appropriations
 11 for the printing and distribution of documents published by the legislative council
 12 are insufficient to pay all of the necessary expenses incurred, there are hereby
 13 appropriated such sums as may be necessary to pay such expenses.

14

15 **COUNCIL OF STATE GOVERNMENTS ANNUAL DUES**

16	Other Operating Expense	138,408	143,944
----	-------------------------	---------	---------

17 **NATIONAL CONFERENCE OF STATE LEGISLATURES ANNUAL DUES**

18	Other Operating Expense	176,357	190,337
----	-------------------------	---------	---------

19 **NATIONAL CONFERENCE OF INSURANCE LEGISLATORS ANNUAL DUES**

20	Other Operating Expense	10,000	10,000
----	-------------------------	--------	--------

21 **NATIONAL CONFERENCE OF STATE LEGISLATURES ANNUAL TRAINING SEMINAR**

22	Total Operating Expense		45,000
----	--------------------------------	--	---------------

23

24 **FOR THE INDIANA LOBBY REGISTRATION COMMISSION**

25	Total Operating Expense	257,900	271,910
----	--------------------------------	----------------	----------------

26

27 **FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND**

28 **LEGISLATORS' RETIREMENT FUND**

29	Total Operating Expense	100,000	100,000
----	--------------------------------	----------------	----------------

30

31 **B. JUDICIAL**

32

33 **FOR THE SUPREME COURT**

34	Personal Services	7,403,027	7,664,269
----	-------------------	-----------	-----------

35	Other Operating Expense	2,232,192	2,251,965
----	-------------------------	-----------	-----------

36

37 The above appropriation for the supreme court personal services includes the subsistence
 38 allowance as provided by IC 33-38-5-8.

39

40 **LOCAL JUDGES' SALARIES**

41	Personal Services	50,674,246	50,812,798
----	-------------------	------------	------------

42	Other Operating Expense	39,000	39,000
----	-------------------------	--------	--------

43 **COUNTY PROSECUTORS' SALARIES**

44	Personal Services	23,821,199	23,821,199
----	-------------------	------------	------------

45	Other Operating Expense	31,000	31,000
----	-------------------------	--------	--------

46

47 The above appropriations for county prosecutors' salaries represent the amounts authorized
 48 by IC 33-39-6-5 and that are to be paid from the state general fund.

49

In addition to the appropriations for local judges' salaries and for county prosecutors' salaries, there are hereby appropriated for personal services the amounts that the state is required to pay for salary changes or for additional courts created by the 115th general assembly.

JUDICIAL BRANCH INSURANCE ADJUSTMENT

Total Operating Expense	0	400,000
-------------------------	---	---------

TRIAL COURT OPERATIONS

Total Operating Expense	591,575	596,075
-------------------------	---------	---------

INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY

Total Operating Expense	778,750	778,750
-------------------------	---------	---------

The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-24-13-7.

PUBLIC DEFENDER COMMISSION

Total Operating Expense	9,100,000	9,850,000
-------------------------	-----------	-----------

The above appropriation is made in addition to the distribution authorized by IC 33-37-7-9(c) for the purpose of reimbursing counties for indigent defense services provided to a defendant. The division of state court administration of the supreme court of Indiana shall provide staff support to the commission and shall administer the public defense fund. The administrative costs may come from the public defense fund. Any balance in the public defense fund is appropriated to the public defender commission.

GUARDIAN AD LITEM

Total Operating Expense	2,920,248	2,970,248
-------------------------	-----------	-----------

The division of state court administration shall use the foregoing appropriation to administer an office of guardian ad litem and court appointed special advocate services and to provide matching funds to counties that are required to implement, in courts with juvenile jurisdiction, a guardian ad litem and court appointed special advocate program for children who are alleged to be victims of child abuse or neglect under IC 31-33 and to administer the program. A county may use these matching funds to supplement amounts collected as fees under IC 31-40-3 to be used for the operation of guardian ad litem and court appointed special advocate programs. The county fiscal body shall appropriate adequate funds for the county to be eligible for these matching funds.

CIVIL LEGAL AID

Total Operating Expense	1,500,000	1,500,000
-------------------------	-----------	-----------

The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-24-12-7.

SPECIAL JUDGES - COUNTY COURTS

Personal Services	15,000	15,000
-------------------	--------	--------

Other Operating Expense	134,000	134,000
-------------------------	---------	---------

If the funds appropriated above for special judges of county courts are insufficient to pay all of the necessary expenses that the state is required to pay under IC 34-35-1-4, there are hereby appropriated such further sums as may be necessary to pay these expenses.

COMMISSION ON RACE AND GENDER FAIRNESS

Total Operating Expense	370,996	380,996
--------------------------------	----------------	----------------

FOR THE COURT OF APPEALS

Personal Services	8,902,011	9,141,271
--------------------------	------------------	------------------

Other Operating Expense	1,467,625	1,249,470
--------------------------------	------------------	------------------

The above appropriations for the court of appeals personal services include the subsistence allowance provided by IC 33-38-5-8.

FOR THE TAX COURT

Personal Services	516,747	529,050
--------------------------	----------------	----------------

Other Operating Expense	128,927	143,963
--------------------------------	----------------	----------------

FOR THE JUDICIAL CENTER

Personal Services	1,703,245	1,833,579
--------------------------	------------------	------------------

Other Operating Expense	1,238,337	1,240,419
--------------------------------	------------------	------------------

The above appropriations for the judicial center include the appropriations for the judicial conference.

DRUG AND ALCOHOL PROGRAMS FUND

Total Operating Expense	299,010	299,010
--------------------------------	----------------	----------------

The above funds are appropriated under IC 33-37-7-9 for the purpose of administering, certifying, and supporting alcohol and drug services programs under IC 12-23-14. However, if the receipts are less than the appropriation, the center may not spend more than is collected.

INTERSTATE COMPACT FOR ADULT OFFENDER SUPERVISION

Total Operating Expense	200,000	200,000
--------------------------------	----------------	----------------

FOR THE PUBLIC DEFENDER

Personal Services	5,941,901	6,179,783
--------------------------	------------------	------------------

Other Operating Expense	985,133	985,133
--------------------------------	----------------	----------------

FOR THE PUBLIC DEFENDER COUNCIL

Personal Services	942,195	943,779
--------------------------	----------------	----------------

Other Operating Expense	436,315	420,318
--------------------------------	----------------	----------------

FOR THE PROSECUTING ATTORNEYS' COUNCIL

Personal Services	622,639	623,828
--------------------------	----------------	----------------

Other Operating Expense	591,448	591,448
--------------------------------	----------------	----------------

	<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1 DRUG PROSECUTION			
2 Drug Prosecution Fund (IC 33-39-8-6)			
3 Total Operating Expense	103,436	103,436	
4 Augmentation allowed.			
5			
6 FOR THE PUBLIC EMPLOYEES' RETIREMENT FUND			
7 JUDGES' RETIREMENT FUND			
8 Other Operating Expense	10,753,661	11,708,522	
9 PROSECUTORS' RETIREMENT FUND			
10 Other Operating Expense	170,000	170,000	
11			
12 C. EXECUTIVE			
13			
14 FOR THE GOVERNOR'S OFFICE			
15 Personal Services	2,002,085	2,002,085	
16 Other Operating Expense	375,000	375,000	
17 GOVERNOR'S RESIDENCE			
18 Total Operating Expense	148,724	148,724	
19 GOVERNOR'S CONTINGENCY FUND			
20 Total Operating Expense			170,000
21			
22 Direct disbursements from the above contingency fund are not subject to the provisions			
23 of IC 5-22.			
24			
25 GOVERNOR'S FELLOWSHIP PROGRAM			
26 Total Operating Expense	250,045	250,045	
27			
28 FOR THE WASHINGTON LIAISON OFFICE			
29 Total Operating Expense	150,000	150,000	
30			
31 FOR THE LIEUTENANT GOVERNOR			
32 Personal Services	1,780,280	1,780,280	
33 Other Operating Expense	724,410	724,410	
34 CONTINGENCY FUND			
35 Total Operating Expense			34,626
36			
37 Direct disbursements from the above contingency fund are not subject to the provisions			
38 of IC 5-22.			
39			
40 FOR THE SECRETARY OF STATE			
41 ADMINISTRATION			
42 Personal Services	2,148,297	2,148,297	
43 Other Operating Expense	255,919	255,919	
44			
45 FOR THE ATTORNEY GENERAL			
46 ATTORNEY GENERAL			
47 From the General Fund			
48 14,463,506 14,463,506			
49 From the Homeowner Protection Fund (IC 4-6-12-9)			

1	654,047	654,047
2	Augmentation allowed.	
3	From the Motor Vehicle Odometer Fund (IC 9-29-1-5)	
4	81,350	81,350
5	Augmentation allowed.	
6	From the Medicaid Fraud Control Unit Fund (IC 4-6-10-1)	
7	515,935	515,935
8	Augmentation allowed.	
9	From the Victims' Assistance Address Confidentiality Fund (IC 5-2-6-14)	
10	59,929	59,929
11	Augmentation allowed.	
12	From the Consumer Fees and Settlements Fund (IC 24-4.7-3-6)	
13	148,228	148,228
14	Augmentation allowed.	
15	From the Real Estate Appraiser Licensing Fund (IC 25-34.1-8-7)	
16	68,174	68,174
17	Augmentation allowed.	
18	From the Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)	
19	494,467	494,467
20	Augmentation allowed.	
21	From the Abandoned Property Fund (IC 32-34-1-33)	
22	216,303	216,303
23	Augmentation allowed.	

The amounts specified from the general fund, homeowner protection fund, motor vehicle odometer fund, medicaid fraud control unit fund, victims' assistance address confidentiality fund, consumer fees and settlements fund, real estate appraisers licensing fund, tobacco master settlement fund, and abandoned property fund are for the following purposes:

31	Personal Services	15,530,898	15,530,898
32	Other Operating Expense	1,171,041	1,171,041
33			
34	HOMEOWNER PROTECTION UNIT (IC 4-6-12-9)		
35	Total Operating Expense	63,391	63,391
36	MEDICAID FRAUD UNIT		
37	Total Operating Expense	829,789	829,789

The above appropriations to the Medicaid fraud unit are the state's matching share of the state Medicaid fraud control unit under IC 4-6-10 as prescribed by 42 U.S.C. 1396b(q). Augmentation allowed from collections.

43	UNCLAIMED PROPERTY		
44	Abandoned Property Fund (IC 32-34-1-33)		
45	Personal Services	1,317,228	1,317,228
46	Other Operating Expense	3,172,360	3,172,360
47	Augmentation allowed.		

D. FINANCIAL MANAGEMENT

FOR THE AUDITOR OF STATE

Personal Services	4,587,218	4,587,218
Other Operating Expense	1,388,632	1,388,632
GOVERNORS' AND GOVERNORS' SURVIVING SPOUSES' PENSIONS		
Total Operating Expense	123,500	123,500

The above appropriations for governors' and governors' surviving spouses' pensions are made under IC 4-3-3.

FOR THE STATE BOARD OF ACCOUNTS

Personal Services	20,798,302	20,798,302
Other Operating Expense	1,340,277	1,340,277
GOVERNOR ELECT		
Total Operating Expense	0	40,000

FOR THE STATE BUDGET COMMITTEE

Total Operating Expense	60,000	60,000
-------------------------	--------	--------

Notwithstanding IC 4-12-1-11(b), the salary per diem of the legislative members of the budget committee is an amount equal to one hundred fifty percent (150%) of the legislative business per diem allowance. If the above appropriations are insufficient to carry out the necessary operations of the budget committee, there are hereby appropriated such further sums as may be necessary.

FOR THE OFFICE OF MANAGEMENT AND BUDGET

Personal Services	1,192,305	1,192,305
Other Operating Expense	65,958	65,958

FOR THE STATE BUDGET AGENCY

Personal Services	3,118,097	3,118,097
Other Operating Expense	512,409	512,409

STATEWIDE INFORMATION TECHNOLOGY PROJECTS

Total Operating Expense	0	2,000,000
-------------------------	---	-----------

BUILD INDIANA FUND ADMINISTRATION

Build Indiana Fund (IC 4-30-17)

Other Operating Expense	1	1
-------------------------	---	---

Augmentation Allowed.

DEPARTMENTAL AND INSTITUTIONAL EMERGENCY CONTINGENCY FUND

Total Operating Expense	10,000,000
-------------------------	------------

The foregoing departmental and institutional emergency contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor. These allocations may be made upon written request of proper officials, showing that contingencies exist that require additional funds for meeting necessary expenses. The budget committee shall be advised

of each transfer request and allotment.

OUTSIDE BILLS CONTINGENCY

Total Operating Expense			1
-------------------------	--	--	---

PERSONAL SERVICESFRINGE BENEFITS CONTINGENCY FUND

Total Operating Expense			89,000,000
-------------------------	--	--	------------

The foregoing personal services/fringe benefits contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor.

The foregoing personal services/fringe benefits contingency fund appropriation may only be used for salary increases, fringe benefit increases, an employee leave conversion program, or a state retiree health program for state employees and may not be used for any other purpose.

The foregoing personal services/fringe benefits contingency fund appropriation does not revert at the end of the biennium but remains in the personal services/fringe benefits contingency fund.

STATE RETIREE HEALTH PLAN

Total Operating Expense			46,000,000
-------------------------	--	--	------------

The foregoing appropriation for the state retiree health plan:

(1) does not revert at the end of the biennium but remains in the state retiree health plan fund; and

(2) is not subject to transfer to any other fund or to transfer, assignment, or reassignment for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency notwithstanding IC 4-12-1-12, or any other law.

COMPREHENSIVE HEALTH INSURANCE ASSOCIATION STATE SHARE

Total Operating Expense	44,300,000	46,500,000
-------------------------	------------	------------

Augmentation Allowed.

SCHOOL AND LIBRARY INTERNET CONNECTION

Build Indiana Fund (IC 4-30-17)

Other Operating Expense			7,000,000
-------------------------	--	--	-----------

Of the foregoing appropriations, \$2,300,000 each year shall be used for schools under IC 4-34-3-4, and \$1,200,000 each year shall be used for libraries under IC 4-34-3-2.

INSPIRE (IC 4-34-3-2)

Build Indiana Fund (IC 4-30-17)

Other Operating Expense			3,000,000
-------------------------	--	--	-----------

AREA HEALTH EDUCATION CENTERS

Total Operating Expense	1,250,000	1,750,000
-------------------------	-----------	-----------

CRAWFORD COUNTY 4-H GRANT

Total Operating Expense	500,000
--------------------------------	----------------

FOR THE TREASURER OF STATE

Personal Services	827,756	827,756
Other Operating Expense	42,350	42,350

The treasurer of state, the board for depositories, the Indiana commission for higher education, and the state student assistance commission shall cooperate and provide to the Indiana education savings authority the following:

- (1) Clerical and professional staff and related support.
- (2) Office space and services.
- (3) Reasonable financial support for the development of rules, policies, programs, and guidelines, including authority operations and travel.

E. TAX ADMINISTRATION

**FOR THE DEPARTMENT OF REVENUE
COLLECTION AND ADMINISTRATION**

General Fund

54,187,575	53,427,575
-------------------	-------------------

Motor Carrier Regulation Fund (IC 8-2.1-23)

794,261	794,261
----------------	----------------

Motor Vehicle Highway Account (IC 8-14-1)

2,449,434	2,449,434
------------------	------------------

Augmentation allowed from the Motor Carrier Regulation Fund and the Motor Vehicle Highway Account.

The amounts specified from the General Fund, Motor Carrier Regulation Fund, and the Motor Vehicle Highway Account are for the following purposes:

Personal Services	40,726,571	40,726,571
Other Operating Expense	16,704,699	15,944,699

With the approval of the governor and the budget agency, the department shall annually reimburse the state general fund for expenses incurred in support of the collection of dedicated fund revenue according to the department's cost allocation plan.

With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department of state revenue from taxes and fees.

OUTSIDE COLLECTIONS

Total Operating Expense	3,300,000	3,300,000
--------------------------------	------------------	------------------

With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue's outside collections may be augmented to an amount not

exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department from taxes and fees.

MOTOR CARRIER REGULATION

Motor Carrier Regulation Fund (IC 8-2.1-23)

Personal Services	1,538,712	1,538,712
Other Operating Expense	4,354,961	4,354,961

Augmentation allowed from the Motor Carrier Regulation Fund.

MOTOR FUEL TAX DIVISION

Motor Vehicle Highway Account (IC 8-14-1)

Personal Services	8,772,328	8,772,328
Other Operating Expense	1,625,300	1,625,300

Augmentation allowed from the Motor Vehicle Highway Account.

In addition to the foregoing appropriations, there is hereby appropriated to the department of revenue motor fuel tax division an amount sufficient to pay claims for refunds on license-fee-exempt motor vehicle fuel as provided by law. The sums above appropriated from the motor vehicle highway account for the operation of the motor fuel tax division, together with all refunds for license-fee-exempt motor vehicle fuel, shall be paid from the receipts of those license fees before they are distributed as provided by IC 6-6-1.1.

FOR THE INDIANA GAMING COMMISSION

State Gaming Fund (IC 4-33-13-3)

3,463,789	3,463,789
-----------	-----------

Gaming Investigations

525,000	525,000
---------	---------

State Gambling Enforcement Fund (IC 4-33.5-4)

499,992	499,992
---------	---------

The amounts specified from the state gaming fund, gaming investigations, and state gambling enforcement fund are for the following purposes:

Personal Services	3,535,621	3,535,621
Other Operating Expense	953,160	953,160

The foregoing appropriations to the Indiana gaming commission are made from revenues accruing to the state gaming fund under IC 4-33-13-3 before any distribution is made under IC 4-33-13-5.

Augmentation allowed.

The foregoing appropriations to the Indiana gaming commission are made instead of the appropriation made in IC 4-33-13-4.

FOR THE INDIANA DEPARTMENT OF GAMING RESEARCH

Personal Services	118,297	118,297
Other Operating Expense	127,993	127,993

Augmentation allowed from fees accruing under IC 4-33-18-8.

FOR THE INDIANA HORSE RACING COMMISSION

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

Personal Services	2,192,335	2,192,335
Other Operating Expense	673,974	673,974

The foregoing appropriations to the Indiana horse racing commission are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9. Retroactive to July 1, 2005.

Augmentation allowed.

STANDARDDBRED ADVISORY BOARD

Standardbred Horse Fund (IC 15-5-5.5-9.5)

Total Operating Expense	193,500	193,500
--------------------------------	----------------	----------------

The foregoing appropriations to the standardbred board of regulation are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9. Retroactive to July 1, 2005.

Augmentation allowed.

STANDARDDBRED BREED DEVELOPMENT FUND

Standardbred Horse Fund (IC 15-5-5.5-9.5)

Total Operating Expense	3,963,811	3,963,811
--------------------------------	------------------	------------------

Augmentation allowed.

THOROUGHBRED BREED DEVELOPMENT FUND

Standardbred Horse Fund (IC 15-5-5.5-9.5)

Total Operating Expense	2,686,139	2,686,139
--------------------------------	------------------	------------------

Augmentation allowed.

QUARTER HORSE BREED DEVELOPMENT FUND

Standardbred Horse Fund (IC 15-5-5.5-9.5)

Total Operating Expense	233,155	233,155
--------------------------------	----------------	----------------

Augmentation allowed.

FINGERPRINT FEES

Standardbred Horse Fund (IC 15-5-5.5-9.5)

Total Operating Expense	67,558	67,558
--------------------------------	---------------	---------------

Augmentation allowed.

FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Personal Services	3,824,801	3,824,801
Other Operating Expense	835,679	835,679

From the above appropriations for the department of local government finance, travel subsistence and mileage allowances may be paid for members of the local government tax control board created by IC 6-1.1-18.5-11 and the state school property tax control board created by IC 6-1.1-19-4.1, under state travel regulations.

CIRCUIT BREAKER RELIEF APPEAL BOARD

Total Operating Expense	100,000	100,000
--------------------------------	----------------	----------------

FOR THE INDIANA BOARD OF TAX REVIEW

Personal Services	1,280,166	1,280,166
Other Operating Expense	102,960	102,960

Augmentation allowed from fee increases enacted by P.L.245-2003 and reimbursements from any county under IC 6-1.1-4-34(f), regardless of when the fees or reimbursements were received.

F. ADMINISTRATION

FOR THE DEPARTMENT OF ADMINISTRATION

Personal Services	12,418,473	12,418,473
Other Operating Expense	14,070,807	13,863,207

FOR THE STATE PERSONNEL DEPARTMENT

Personal Services	6,761,767	6,761,767
Other Operating Expense	623,200	623,200

The state must provide a variety of healthcare plan options and not restrict employees to health savings account plans.

FOR THE STATE EMPLOYEES APPEALS COMMISSION

Personal Services	163,650	163,650
Other Operating Expense	16,089	16,089

FOR THE OFFICE OF TECHNOLOGY

Pay Phone Fund

Total Operating Expense	2,490,000	2,490,000
--------------------------------	------------------	------------------

Augmentation allowed.

The pay phone fund is established for the procurement of hardware, software, and related equipment and services needed to expand and enhance the state campus backbone and other central information technology initiatives. Such procurements may include, but are not limited to, wiring and rewiring of state offices, Internet services, video conferencing, telecommunications, application software, and related services. The fund consists of the net proceeds received from contracts with companies providing phone services at state institutions and other state properties. The fund shall be administered by the budget agency. Money in the fund may be spent by the office in compliance with a plan approved by the budget agency. Any money remaining in the fund at the end of any fiscal year does not revert to the general fund or any other fund but remains in the pay phone fund.

FOR THE COMMISSION ON PUBLIC RECORDS

Personal Services	1,432,151	1,432,151
Other Operating Expense	132,099	132,099

FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR

Personal Services	144,841	144,841
Other Operating Expense	6,004	6,004

G. OTHER

FOR THE COMMISSION ON UNIFORM STATE LAWS

Total Operating Expense	43,584	43,584
--------------------------------	---------------	---------------

FOR THE OFFICE OF INSPECTOR GENERAL

Personal Services	1,121,264	1,121,074
--------------------------	------------------	------------------

Other Operating Expense	237,941	237,941
--------------------------------	----------------	----------------

STATE ETHICS COMMISSION

Personal Services	260,816	261,006
--------------------------	----------------	----------------

Other Operating Expense	2,596	2,596
--------------------------------	--------------	--------------

FOR THE SECRETARY OF STATE

ELECTION DIVISION

Personal Services	676,031	698,959
--------------------------	----------------	----------------

Other Operating Expense	598,793	598,793
--------------------------------	----------------	----------------

VOTER REGISTRATION AND PROCEDURES

Total Operating Expense	129,920	0
--------------------------------	----------------	----------

VOTER LIST MAINTENANCE

Total Operating Expense	112,500	112,500
--------------------------------	----------------	----------------

H. COMMUNITY SERVICES

FOR THE GOVERNOR'S OFFICE OF FAITH BASED & COMMUNITY INITIATIVES

Personal Services	244,064	244,064
--------------------------	----------------	----------------

Other Operating Expense	71,488	71,488
--------------------------------	---------------	---------------

SECTION 4. [EFFECTIVE JULY 1, 2007]

PUBLIC SAFETY

A. CORRECTION

FOR THE DEPARTMENT OF CORRECTION

CENTRAL OFFICE

Personal Services	15,691,462	15,691,462
--------------------------	-------------------	-------------------

Other Operating Expense	6,652,175	6,652,175
--------------------------------	------------------	------------------

The above appropriations for central office include \$75,000 each year for the juvenile justice task force.

The above appropriation includes funds to provide a salary increase for custody staff of approximately 4% beginning in fiscal year 2008. In addition, any money that is derived from the Arizona inmates custody project at New Castle is to be deposited in the state general fund and go towards offsetting the appropriation to the department of corrections food services contract.

ESCAPEE COUNSEL AND TRIAL EXPENSE

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Other Operating Expense	198,000	198,000	
2	COUNTY JAIL MISDEMEANANT HOUSING			
3	Total Operating Expense	4,281,101	4,281,101	
4	ADULT CONTRACT BEDS			
5	Total Operating Expense	3,000,000	3,000,000	
6	STAFF DEVELOPMENT AND TRAINING			
7	Personal Services	1,198,305	1,198,305	
8	Other Operating Expense	117,640	117,640	
9	PAROLE DIVISION			
10	Personal Services	8,126,308	8,126,308	
11	Other Operating Expense	895,534	895,534	
12	PAROLE BOARD			
13	Personal Services	580,285	580,285	
14	Other Operating Expense	20,222	20,222	
15	INFORMATION MANAGEMENT SERVICES			
16	Personal Services	1,165,728	1,165,728	
17	Other Operating Expense	36,384	36,384	
18	JUVENILE TRANSITION			
19	Personal Services	1,122,368	1,122,368	
20	Other Operating Expense	1,016,342	1,016,342	
21	COMMUNITY CORRECTIONS PROGRAMS			
22	Total Operating Expense			67,017,281
23				
24	The above appropriation for community corrections programs is not subject to transfer			
25	to any other fund or to transfer, assignment, or reassignment for any other use or			
26	purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23			
27	or by the budget agency notwithstanding IC 4-12-1-12, or any other law.			
28				
29	DRUG PREVENTION AND OFFENDER TRANSITION			
30	Total Operating Expense	305,431	305,431	
31				
32	The above appropriation shall be used for minimum security release programs, transition			
33	programs, mentoring programs, and supervision of and assistance to adult and juvenile			
34	offenders to promote the successful integration of the offender into the community.			
35				
36	CENTRAL EMERGENCY RESPONSE			
37	Personal Services	1,089,474	1,089,474	
38	Other Operating Expense	108,554	108,554	
39	MEDICAL SERVICES			
40	Other Operating Expense	45,830,008	48,662,949	
41				
42	The above appropriations for medical services shall be used only for services that are determined			
43	to be medically necessary.			
44				
45	DRUG ABUSE PREVENTION			
46	Drug Abuse Fund (IC 11-8-2-11)			
47	Personal Services	42,683	42,683	
48	Other Operating Expense	3,000	3,000	
49	Augmentation allowed.			

COUNTY JAIL MAINTENANCE CONTINGENCY FUND

Other Operating Expense	20,342,634	20,615,319
--------------------------------	-------------------	-------------------

Disbursements from the fund shall be made for the purpose of reimbursing sheriffs for the cost of incarcerating in county jails persons convicted of felonies to the extent that such persons are incarcerated for more than five (5) days after the day of sentencing, at the rate of \$35 per day. In addition to the per diem, the state shall reimburse the sheriffs for expenses determined by the sheriff to be medically necessary medical care to the convicted persons. However, if the sheriff or county receives money with respect to a convicted person (from a source other than the county), the per diem or medical expense reimbursement with respect to the convicted person shall be reduced by the amount received. A sheriff shall not be required to comply with IC 35-38-3-4(a) or transport convicted persons within five (5) days after the day of sentencing if the department of correction does not have the capacity to receive the convicted person.

Augmentation allowed.

FOOD SERVICES

Total Operating Expense	28,954,492	28,954,492
--------------------------------	-------------------	-------------------

MEDICAL SERVICE PAYMENTS

Total Operating Expense	25,000,000	25,000,000
--------------------------------	-------------------	-------------------

These appropriations for medical service payments are made to pay for services determined to be medically necessary for committed individuals, patients and students of institutions under the jurisdiction of the department of correction, the state department of health, the division of mental health and addiction, the school for the blind and visually impaired, the school for the deaf, the division of disability and rehabilitative services, or the division of aging if the services are provided outside these institutions. These appropriations may not be used for payments for medical services that are covered by IC 12-16 unless these services have been approved under IC 12-16. These appropriations shall not be used for payment for medical services which are payable from an appropriation in this act for the state department of health, the division of mental health and addiction, the school for the blind and visually impaired, the school for the deaf, the division of disability and rehabilitative services, the division of aging, or the department of correction, or that are reimbursable from funds for medical assistance under IC 12-15. If these appropriations are insufficient to make these medical service payments, there is hereby appropriated such further sums as may be necessary.

Direct disbursements from the above contingency fund are not subject to the provisions of IC 4-13-2.

FOR THE DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF CORRECTION OMBUDSMAN BUREAU

Personal Services	135,966	136,067
Other Operating Expense	13,124	13,124

FOR THE DEPARTMENT OF CORRECTION

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	INDIANA STATE PRISON			
2	Personal Services	31,808,589	31,808,589	
3	Other Operating Expense	5,900,491	5,900,491	
4				
5	VOCATIONAL TRAINING PROGRAM			
6	Total Operating Expense	158,365	158,365	
7	PENDLETON CORRECTIONAL FACILITY			
8	Personal Services	28,109,137	28,109,137	
9	Other Operating Expense	6,754,713	6,754,713	
10	CORRECTIONAL INDUSTRIAL FACILITY			
11	Personal Services	20,436,217	20,436,217	
12	Other Operating Expense	1,356,420	1,356,420	
13	INDIANA WOMEN'S PRISON			
14	Personal Services	8,787,194	8,787,194	
15	Other Operating Expense	1,076,523	1,076,523	
16	PUTNAMVILLE CORRECTIONAL FACILITY			
17	Personal Services	27,418,918	27,418,918	
18	Other Operating Expense	3,849,512	3,849,512	
19	WABASH VALLEY CORRECTIONAL FACILITY			
20	Personal Services	32,087,395	32,087,395	
21	Other Operating Expense	5,369,971	5,369,971	
22	PLAINFIELD EDUCATION RE-ENTRY FACILITY			
23	Personal Services	5,432,892	5,432,892	
24	Other Operating Expense	2,229,376	2,229,376	
25	INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY			
26	Personal Services	10,409,859	10,409,859	
27	Other Operating Expense	1,233,531	1,233,531	
28	BRANCHVILLE CORRECTIONAL FACILITY			
29	Personal Services	15,573,738	15,573,738	
30	Other Operating Expense	2,338,789	2,338,789	
31	WESTVILLE CORRECTIONAL FACILITY			
32	Personal Services	44,501,080	44,501,080	
33	Other Operating Expense	5,722,951	5,722,951	
34	ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN			
35	Personal Services	13,932,287	13,932,287	
36	Other Operating Expense	1,754,770	1,754,770	
37	PLAINFIELD CORRECTIONAL FACILITY			
38	Personal Services	24,178,023	24,178,023	
39	Other Operating Expense	2,274,035	2,274,035	
40	RECEPTION AND DIAGNOSTIC CENTER			
41	Personal Services	10,614,079	10,614,079	
42	Other Operating Expense	527,827	527,827	
43	MIAMI CORRECTIONAL FACILITY			
44	Personal Services	27,240,915	27,240,915	
45	Other Operating Expense	7,513,143	7,513,143	
46	NEW CASTLE CORRECTIONAL FACILITY			
47	Personal Services	391,583	391,583	
48	Other Operating Expense	16,957,070	21,965,350	
49	SOCIAL SERVICES BLOCK GRANT			

1	General Fund		
2	Total Operating Expense	6,119,631	6,119,631
3	Work Release - Study Release Special Revenue Fund (IC 11-10-8-6.5)		
4	Total Operating Expense	347,516	347,516
5	Augmentation allowed from Work Release - Study Release Special Revenue Fund		
6	and Social Services Block Grant.		
7	HENRYVILLE CORRECTIONAL FACILITY		
8	Personal Services	2,011,534	2,011,534
9	Other Operating Expense	220,390	220,390
10	CHAIN O' LAKES CORRECTIONAL FACILITY		
11	Personal Services	1,517,268	1,517,268
12	Other Operating Expense	202,531	202,531
13	MEDARYVILLE CORRECTIONAL FACILITY		
14	Personal Services	1,543,961	1,543,961
15	Other Operating Expense	158,005	158,005
16	MADISON CORRECTIONAL FACILITY		
17	Personal Services	4,025,414	4,025,414
18	Other Operating Expense	701,346	701,346
19	EDINBURGH CORRECTIONAL FACILITY		
20	Personal Services	3,313,905	3,313,905
21	Other Operating Expense	495,076	495,076
22	SOUTH BEND JUVENILE CORRECTIONAL FACILITY		
23	Personal Services	4,525,393	4,525,393
24	Other Operating Expense	1,533,354	1,533,354
25	NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY		
26	Personal Services	9,601,670	9,601,670
27	Other Operating Expense	1,359,954	1,359,954
28	CAMP SUMMIT		
29	Personal Services	2,281,347	2,281,347
30	Other Operating Expense	183,677	183,677
31	PENDLETON JUVENILE CORRECTIONAL FACILITY		
32	Personal Services	14,913,324	14,913,324
33	Other Operating Expense	1,623,844	1,623,844

B. LAW ENFORCEMENT

FOR THE INDIANA STATE POLICE AND MOTOR CARRIER INSPECTION

From the General Fund

44,101,027 45,527,555

From the Motor Vehicle Highway Account (IC 8-14-1)

76,795,315 79,279,296

From the Motor Carrier Regulation Fund (IC 8-2.1-23)

4,232,556 4,368,936

Augmentation allowed from the general fund, the motor vehicle highway account, and the motor carrier regulation fund.

The amounts specified from the General Fund, the Motor Vehicle Highway Account, and the Motor Carrier Regulation Fund are for the following purposes:

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Personal Services	108,085,378	112,132,267	
2	Other Operating Expense	17,043,520	17,043,520	
3				
4	The above appropriations for personal services and other operating expense include			
5	funds to continue the state police minority recruiting program.			
6				
7	The foregoing appropriations for the Indiana state police and motor carrier inspection			
8	include funds for the police security detail to be provided to the Indiana state			
9	fair board. However, amounts actually expended to provide security for the Indiana state			
10	fair board as determined by the budget agency shall be reimbursed by the Indiana			
11	state fair board to the state general fund.			
12				
13	The above appropriations for personal services include amounts to fund a new 20-year			
14	pay matrix that increases the maximum annual salary for the rank of trooper to \$60,000			
15	phased in over the 2008-2009 biennium. The above appropriations also include funds			
16	to provide salary increases of \$3,500 for weighmasters and capital police in each			
17	year of the 2008-2009 biennium.			
18				
19	ODOMETER FRAUD INVESTIGATION			
20	From the Motor Vehicle Odometer Fund (IC 9-29-1-5)			
21	Total Operating Expense	25,000	25,000	
22	Augmentation allowed.			
23				
24	STATE POLICE TRAINING			
25	From the State Police Training Fund (IC 5-2-8-5)			
26	Total Operating Expense	300,100	300,100	
27	Augmentation allowed.			
28				
29	FORENSIC AND HEALTH SCIENCES LABORATORIES			
30	From the General Fund			
31		3,888,671	3,888,671	
32	From the Motor Carrier Regulation Fund (IC 8-2.1-23)			
33		386,658	386,658	
34	From the Motor Vehicle Highway Account (IC 8-14-1)			
35		6,772,031	6,772,031	
36	Augmentation allowed from the general fund, the motor vehicle highway account,			
37	and the motor carrier regulation fund.			
38				
39	The amounts specified from the General Fund, the Motor Vehicle Highway Account, and the			
40	Motor Carrier Regulation Fund are for the following purposes:			
41				
42	Personal Services	9,616,473	9,616,473	
43	Other Operating Expense	1,430,887	1,430,887	
44				
45	ENFORCEMENT AID			
46	From the General Fund			
47	Total Operating Expense	40,000	40,000	
48	From the Motor Vehicle Highway Account (IC 8-14-1)			
49	Total Operating Expense	40,000	40,000	

The above appropriations for enforcement aid are to meet unforeseen emergencies of a confidential nature. They are to be expended under the direction of the superintendent and to be accounted for solely on the superintendent's authority.

PENSION FUND

From the General Fund

Total Operating Expense	4,736,246	4,736,246
--------------------------------	------------------	------------------

From the Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	4,736,247	4,736,247
--------------------------------	------------------	------------------

The above appropriations shall be paid into the state police pension fund provided for in IC 10-12-2 in twelve (12) equal installments on or before July 30 and on or before the 30th of each succeeding month thereafter.

BENEFIT FUND

From the General Fund

Total Operating Expense	1,713,151	1,713,151
--------------------------------	------------------	------------------

Augmentation allowed.

From the Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	1,713,151	1,713,151
--------------------------------	------------------	------------------

Augmentation allowed.

All benefits to members shall be paid by warrant drawn on the treasurer of state by the auditor of state on the basis of claims filed and approved by the trustees of the state police pension and benefit funds created by IC 10-12-2.

SUPPLEMENTAL PENSION

General Fund

Total Operating Expense	1,900,753	1,900,753
--------------------------------	------------------	------------------

Augmentation allowed.

Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	1,900,753	1,900,753
--------------------------------	------------------	------------------

Augmentation allowed.

If the above appropriations for supplemental pension for any one (1) year are greater than the amount actually required under the provisions of IC 10-12-5, then the excess shall be returned proportionately to the funds from which the appropriations were made. If the amount actually required under IC 10-12-5 is greater than the above appropriations, then, with the approval of the governor and the budget agency, those sums may be augmented from the general fund and the motor vehicle highway account.

ACCIDENT REPORTING

Accident Report Account (IC 9-29-11-1)

Total Operating Expense	84,760	84,760
--------------------------------	---------------	---------------

Augmentation allowed.

DRUG INTERDICTION

	<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1 Drug Interdiction Fund (IC 10-11-7)			
2 Total Operating Expense	273,420	273,420	
3 Augmentation allowed.			
4			
5 FOR THE INTEGRATED PUBLIC SAFETY COMMISSION			
6 PROJECT SAFE-T			
7 Integrated Public Safety Communications Fund (IC 5-26-4-1)			
8 Total Operating Expense	13,000,000	13,000,000	
9 Augmentation allowed.			
10			
11 FOR THE ADJUTANT GENERAL			
12 Personal Services	8,253,098	8,253,098	
13 Other Operating Expense	2,868,184	2,868,184	
14 DISABLED SOLDIERS' PENSION			
15 Other Operating Expense	1	1	
16 Augmentation allowed.			
17 MUTC - MUSCATATUCK URBAN TRAINING CENTER			
18 Total Operating Expense	2,600,000	2,600,000	
19 HOOSIER YOUTH CHALLENGE ACADEMY			
20 Total Operating Expense	1,200,000	1,200,000	
21 GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND			
22 Total Operating Expense			320,000
23			
24 The above appropriations for the adjutant general governor's civil and military contingency			
25 fund are made under IC 10-16-11-1.			
26			
27 FOR THE CRIMINAL JUSTICE INSTITUTE			
28 ADMINISTRATIVE MATCH			
29 Total Operating Expense	440,467	440,467	
30 DRUG ENFORCEMENT MATCH			
31 Total Operating Expense	2,846,955	2,846,955	
32 VICTIM AND WITNESS ASSISTANCE FUND			
33 Victim and Witness Assistance Fund (IC 5-2-6-14)			
34 Total Operating Expense	630,902	630,902	
35 Augmentation allowed.			
36 ALCOHOL AND DRUG COUNTERMEASURES			
37 Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)			
38 Total Operating Expense	386,000	386,000	
39 Augmentation allowed.			
40 STATE DRUG FREE COMMUNITIES FUND			
41 State Drug Free Communities Fund (IC 5-2-10-2)			
42 Total Operating Expense	527,477	527,477	
43 Augmentation allowed.			
44 INDIANA SAFE SCHOOLS			
45 General Fund			
46 Total Operating Expense	1,660,300	1,660,300	
47 Indiana Safe Schools Fund (IC 5-2-10.1-2)			
48 Total Operating Expense	400,052	400,052	
49 Augmentation allowed from Indiana Safe Schools Fund.			

Of the above appropriations for the Indiana safe schools program, \$1,317,000 is appropriated annually to provide grants to school corporations for school safe haven programs, emergency preparedness programs, and school safety programs, and \$750,000 is appropriated annually for use in providing training to school safety specialists.

OFFICE OF TRAFFIC SAFETY

Motor Vehicle Highway Account (IC 8-14-1)

Personal Services	571,560	571,560
Other Operating Expense	11,069,560	11,069,560

Augmentation allowed.

The above appropriation for the office of traffic safety is from the motor vehicle highway account and may be used to fund traffic safety projects that are included in a current highway safety plan approved by the governor and the budget agency. The department shall apply to the national highway traffic safety administration for reimbursement of all eligible project costs. Any federal reimbursement received by the department for the highway safety plan shall be deposited into the motor vehicle highway account.

PROJECT IMPACT

Total Operating Expense	196,000	196,000
-------------------------	---------	---------

VICTIMS OF VIOLENT CRIME ADMINISTRATION

Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)

Personal Services	142,988	195,890
Other Operating Expense	2,318,098	2,331,298

Augmentation allowed.

FOR THE CORONERS' TRAINING BOARD

Coroners Training and Continuing Education Fund (IC 4-23-6.5-8)

Personal Services	10,000	10,000
Other Operating Expense	390,000	390,000

Augmentation allowed.

FOR THE LAW ENFORCEMENT TRAINING ACADEMY

From the General Fund

2,190,935	2,190,935
-----------	-----------

From the Law Enforcement Academy Training Fund (IC 5-2-1-13(b))

2,220,046	2,220,046
-----------	-----------

Augmentation allowed from the Law Enforcement Academy Training Fund.

The amounts specified from the General Fund and the Law Enforcement Training Fund are for the following purposes:

Personal Services	3,547,811	3,547,811
Other Operating Expense	863,170	863,170

FOR THE NORTHWEST INDIANA LAW ENFORCEMENT TRAINING ACADEMY

Total Operating Expense	150,000	150,000
-------------------------	---------	---------

C. REGULATORY AND LICENSING

FOR THE BUREAU OF MOTOR VEHICLES

Motor Vehicle Highway Account (IC 8-14-1)

Personal Services	20,312,250	20,312,250
-------------------	------------	------------

Other Operating Expense	15,357,889	15,357,889
-------------------------	------------	------------

Augmentation allowed.

LICENSE PLATES

Motor Vehicle Highway Account (IC 8-14-1)

Total Operating Expense	15,928,890	5,600,000
-------------------------	------------	-----------

Augmentation allowed.

DEALER INVESTIGATOR EXPENSES

Motor Vehicle Odometer Fund (IC 9-29-1-5)

Total Operating Expense	207,766	207,766
-------------------------	---------	---------

Augmentation allowed.

FINANCIAL RESPONSIBILITY COMPLIANCE VERIFICATION

Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)

Total Operating Expense	6,858,480	6,858,480
-------------------------	-----------	-----------

Augmentation allowed.

ABANDONED VEHICLES

Abandoned Vehicle Fund (IC 9-22-1-28)

Total Operating Expense	463,207	463,207
-------------------------	---------	---------

Augmentation allowed.

STATE MOTOR VEHICLE TECHNOLOGY

State Motor Vehicle Technology Fund (IC 9-29-16-1)

Total Operating Expense	5,424,425	5,424,425
-------------------------	-----------	-----------

Augmentation allowed.

FOR THE DEPARTMENT OF LABOR

Personal Services	918,171	918,171
-------------------	---------	---------

Other Operating Expense	124,192	124,192
-------------------------	---------	---------

INDUSTRIAL HYGIENE

Personal Services	1,256,421	1,256,421
-------------------	-----------	-----------

Other Operating Expense	152,287	152,287
-------------------------	---------	---------

BUREAU OF MINES AND MINE SAFETY

Personal Services	184,738	184,738
-------------------	---------	---------

Other Operating Expense	45,998	45,998
-------------------------	--------	--------

M.I.S. RESEARCH AND STATISTICS

Personal Services	239,744	239,744
-------------------	---------	---------

Other Operating Expense	26,014	26,014
-------------------------	--------	--------

The above funds are appropriated to occupational safety and health, industrial hygiene, and management information services research and statistics to provide the total program cost of the Indiana occupational safety and health plan as approved by the United States Department of Labor. Inasmuch as the state is eligible to receive from the federal government partial reimbursement of the state's total Indiana occupational safety and health plan program cost, it is the intention of the general assembly that the department of labor make application to the federal government for the federal

share of the total program cost. Federal funds received shall be considered a reimbursement of state expenditures and as such shall be deposited into the state general fund.

The above appropriation for personal services to the Bureau of Mines and Mine Safety includes an amount for the employment of an additional mine safety inspector for the Bureau of Mines and Mine Safety at a salary of at least \$53,000 and fringe benefits of \$21,767. The above appropriation for other operating expense includes \$30,000 for the purchase of additional mine rescue equipment. The amount provided for these purposes may not be used for any other purpose.

OCCUPATIONAL SAFETY AND HEALTH

Personal Services	2,278,287	2,278,287
Other Operating Expense	326,318	326,318

EMPLOYMENT OF YOUTH

Employment of Youth Fund (IC 20-33-3-42)

Total Operating Expense	75,473	75,473
-------------------------	--------	--------

Augmentation allowed.

BUREAU OF SAFETY EDUCATION AND TRAINING

Special Fund for Safety and Health Consultation Service (IC 22-8-1.1-48)

Personal Services	856,406	856,406
Other Operating Expense	227,884	227,884

Augmentation allowed.

Federal cost reimbursements for expenses attributable to the Bureau of Safety Education and Training appropriations shall be deposited into the special fund for safety and health consultation services.

The above appropriations for the Bureau of Safety Education and Training shall not be used to compete with consultation services provided by legitimate engineering firms, insurance companies, or professional consultants. The Bureau of Safety Education and Training shall limit training activities to private companies for which it has conducted an on-site consultation and shall limit training to only direct employees at that site.

FOR THE DEPARTMENT OF INSURANCE

Department of Insurance Fund (IC 27-1-3-28)

Personal Services	5,544,812	5,544,812
Other Operating Expense	1,269,333	1,269,333

Augmentation allowed.

BAIL BOND DIVISION

Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)

Personal Services	177,215	177,215
Other Operating Expense	11,280	11,280

Augmentation allowed.

PATIENTS' COMPENSATION AUTHORITY

Patient's Compensation Fund (IC 34-18-6-1)

Personal Services	722,263	722,263
Other Operating Expense	1,322,435	1,322,435

Augmentation allowed.

POLITICAL SUBDIVISION RISK MANAGEMENT

Political Subdivision Risk Management Fund (IC 27-1-29-10)

Personal Services	109,874	109,874
Other Operating Expense	802,850	802,850

Augmentation allowed.

MINE SUBSIDENCE INSURANCE

Mine Subsidence Insurance Fund (IC 27-7-9-7)

Personal Services	119,154	119,154
Other Operating Expense	802,060	802,060

Augmentation allowed.

FOR THE ALCOHOL AND TOBACCO COMMISSION

Enforcement and Administration Fund (IC 7.1-4-10-1)

Personal Services	8,348,642	8,589,036
Other Operating Expense	2,424,940	2,424,940

Augmentation allowed.

The above appropriations for personal services include funds for a new 20-year pay matrix that increases the maximum annual salary for the officer rank to \$60,000 phased in over the 2008-2009 biennium.

ALCOHOLIC BEVERAGE ENFORCEMENT OFFICERS' TRAINING

Alcoholic Beverage Commission Enforcement Officers' Training Fund (IC 5-2-8-8)

Total Operating Expense	3,500	3,500
--------------------------------	--------------	--------------

Augmentation allowed from the Alcoholic Beverage Enforcement Officers' Training Fund.

FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS

Financial Institutions Fund (IC 28-11-2-9)

Personal Services	6,787,643	6,787,643
Other Operating Expense	1,764,048	1,703,411

Augmentation allowed.

FOR THE PROFESSIONAL LICENSING AGENCY

Personal Services	4,769,078	4,769,078
Other Operating Expense	1,130,056	1,130,056

PRENEED CONSUMER PROTECTION

Preneed Consumer Protection Fund (IC 30-2-13-28)

Total Operating Expense	15,000	15,000
--------------------------------	---------------	---------------

Augmentation allowed.

EMBALMERS' AND FUNERAL DIRECTORS' EDUCATION

Funeral Service Education Fund (IC 25-15-9-13)

Total Operating Expense	5,000	5,000
--------------------------------	--------------	--------------

Augmentation allowed.

FOR THE CIVIL RIGHTS COMMISSION

Personal Services	1,969,921	1,969,921
Other Operating Expense	406,447	406,447

It is the intention of the general assembly that the civil rights commission shall

1 apply to the federal government for funding based upon the processing of employment
2 and housing discrimination complaints by the civil rights commission. Such federal
3 funds received by the state shall be considered as a reimbursement of state expenditures
4 and shall be deposited into the state general fund.

5
6 **MARTIN LUTHER KING JR. HOLIDAY COMMISSION**

Total Operating Expense	20,000	20,000
--------------------------------	---------------	---------------

8
9 **FOR THE UTILITY CONSUMER COUNSELOR**

10 **Public Utility Fund (IC 8-1-6-1)**

Personal Services	4,524,732	4,524,732
--------------------------	------------------	------------------

Other Operating Expense	1,081,422	1,081,422
--------------------------------	------------------	------------------

13 **Augmentation allowed.**

14
15 **EXPERT WITNESS FEES AND AUDIT**

16 **Public Utility Fund (IC 8-1-6-1)**

Total Operating Expense		1,550,000
--------------------------------	--	------------------

18 **Augmentation allowed.**

19
20 **FOR THE UTILITY REGULATORY COMMISSION**

21 **Public Utility Fund (IC 8-1-6-1)**

Personal Services	6,454,330	6,454,330
--------------------------	------------------	------------------

Other Operating Expense	2,192,411	2,192,411
--------------------------------	------------------	------------------

24 **Augmentation allowed.**

25
26 **FOR THE WORKERS' COMPENSATION BOARD**

27 **From the General Fund**

2,062,635	2,062,635
------------------	------------------

29 **Workers' Compensation Supplemental Administration Fund (IC 22-3-5-6)**

114,210	114,210
----------------	----------------

31 **Augmentation allowed.**

32
33 **The amounts specified from the general fund and the workers' compensation supplemental**
34 **administrative fund are for the following purposes:**

Personal Services	1,983,762	1,983,762
--------------------------	------------------	------------------

Other Operating Expense	193,083	193,083
--------------------------------	----------------	----------------

38
39 **FOR THE STATE BOARD OF ANIMAL HEALTH**

Personal Services	4,395,935	4,395,935
--------------------------	------------------	------------------

Other Operating Expense	1,023,027	925,027
--------------------------------	------------------	----------------

42 **INDEMNITY FUND**

Total Operating Expense		45,788
--------------------------------	--	---------------

44 **Augmentation allowed.**

45 **MEAT & POULTRY INSPECTION**

Total Operating Expense	1,861,010	1,861,010
--------------------------------	------------------	------------------

47
48 **FOR THE DEPARTMENT OF HOMELAND SECURITY**

49 **From the General Fund**

1 1,646,556 1,646,556
2 **From the Fire and Building Services Fund (IC 22-12-6-1)**
3 14,996,403 14,996,403
4 **Augmentation allowed from the fire and building services fund.**

5
6 **The amounts specified from the general fund and the fire and building services fund are**
7 **for the following purposes:**

8
9 **Personal Services** 12,649,394 12,649,394
10 **Other Operating Expense** 3,993,565 3,993,565

11
12 **REGIONAL PUBLIC SAFETY TRAINING**
13 **Regional Public Safety Training Fund (IC 10-15-3-12)**
14 **Total Operating Expense** 2,000,000 2,000,000

15
16 **Any unexpended balances in the FY 2006-2007 appropriation for regional public safety training**
17 **remain appropriated and are available for expenditure.**

18
19 **EMERGENCY MANAGEMENT CONTINGENCY FUND**
20 **Total Operating Expense** 242,500 242,500

21
22 **The above appropriations for the emergency management contingency fund are made under**
23 **IC 10-14-3-28. The above appropriations shall be in addition to any unexpended balances in**
24 **the fund as of June 30, 2007.**

25
26 **COMMUNICATIONS**
27 **Total Operating Expense** 30,182 30,182

28 **INDIANA HOMELAND SECURITY FUND**
29 **From the Indiana Homeland Security Fund (IC 10-15-3-1)**
30 **Total Operating Expense** 520,000 520,000

31 **Augmentation allowed.**

32 **INDIANA EMERGENCY RESPONSE COMMISSION**
33 **From the Emergency Planning and Right to Know Fund (IC 6-6-10-5 & 7)**
34 **Total Operating Expense** 45,408 45,408

35 **Augmentation allowed.**

36 **STATE DISASTER RELIEF FUND**
37 **From the State Disaster Relief Fund (IC 10-14-4-5)**
38 **Total Operating Expense** 500,000 500,000

39 **Augmentation allowed, not to exceed revenues collected from the public safety fee**
40 **imposed by IC 22-11-14-12.**

41
42 **Augmentation allowed from the general fund to match federal disaster relief funds.**

43
44 **INDIANA INTELLIGENCE FUSION CENTER**
45 **From the Fire and Building Services Fund (IC 22-12-6-1)**
46 **Total Operating Expense** 399,585 2,110,730

47 **Augmentation allowed.**

48
49 **SECTION 5. [EFFECTIVE JULY 1, 2007]**

CONSERVATION AND ENVIRONMENT

A. NATURAL RESOURCES

FOR THE DEPARTMENT OF NATURAL RESOURCES - ADMINISTRATION

Personal Services	7,778,972	7,778,972
Other Operating Expense	1,185,019	1,185,019

ENTOMOLOGY AND PLANT PATHOLOGY DIVISION

Personal Services	653,552	653,552
Other Operating Expense	161,137	161,137

ENTOMOLOGY AND PLANT PATHOLOGY FUND (IC 14-24-10-3)

Total Operating Expense		693,756
-------------------------	--	---------

Augmentation allowed.

ENGINEERING DIVISION

Personal Services	1,644,141	1,644,141
Other Operating Expense	123,151	123,151

STATE MUSEUM

Personal Services	5,593,509	5,593,509
Other Operating Expense	1,931,841	1,931,841

HISTORIC PRESERVATION DIVISION

Personal Services	879,579	879,579
Other Operating Expense	72,484	72,484

HISTORIC PRESERVATION - FEDERAL

Total Operating Expense	70,000	70,000
-------------------------	--------	--------

STATE HISTORIC SITES

Personal Services	2,483,942	2,483,942
Other Operating Expense	627,287	627,287

From the above appropriations, \$75,000 in each state fiscal year shall be used for the Grissom Museum.

WABASH RIVER HERITAGE CORRIDOR

Total Operating Expense	91,000	91,000
-------------------------	--------	--------

OUTDOOR RECREATION DIVISION

Personal Services	625,218	625,218
Other Operating Expense	42,800	42,800

NATURE PRESERVES DIVISION

Personal Services	906,847	906,847
Other Operating Expense	76,303	76,303

WATER DIVISION

Personal Services	4,369,300	4,369,300
Other Operating Expense	479,605	479,605

All revenues accruing from state and local units of government and from private utilities and industrial concerns as a result of water resources study projects, and as a result of topographic and other mapping projects, shall be deposited into the state general fund, and such receipts are hereby appropriated, in addition to the foregoing amounts, for water resources studies.

GREAT LAKES COMMISSION

Other Operating Expense	61,000	61,000
-------------------------	--------	--------

DEER RESEARCH AND MANAGEMENT

Deer Research and Management Fund (IC 14-22-5-2)

Total Operating Expense	268,788	268,788
-------------------------	---------	---------

Augmentation allowed.

OIL AND GAS DIVISION

From the General Fund

876,949	876,949
---------	---------

From the Oil and Gas Fund (IC 6-8-1-27)

528,269	528,269
---------	---------

Augmentation allowed from the Oil and Gas Fund.

The amounts specified from the General Fund and the Oil and Gas Fund are for the following purposes:

Personal Services	1,145,545	1,145,545
-------------------	-----------	-----------

Other Operating Expense	259,673	259,673
-------------------------	---------	---------

STATE PARKS AND RESERVOIRS

From the General Fund

12,463,162	12,463,162
------------	------------

From the State Parks and Reservoirs Special Revenue Fund (IC 14-19-8-2)

20,340,440	20,340,440
------------	------------

Augmentation allowed from the State Parks and Reservoirs Special Revenue Fund.

The amounts specified from the General Fund and the State Parks and Reservoirs Special Revenue Fund are for the following purposes:

Personal Services	24,161,700	24,161,700
-------------------	------------	------------

Other Operating Expense	8,641,902	8,641,902
-------------------------	-----------	-----------

DRAMATIC PRODUCTION OF YOUNG ABE LINCOLN

Total Operating Expense	825,000
-------------------------	---------

OFF-ROAD VEHICLE AND SNOWMOBILE FUND

Off-Road Vehicle and Snowmobile Fund (IC 14-16-1-30)

Total Operating Expense	300,000	300,000
-------------------------	---------	---------

Augmentation allowed.

LAW ENFORCEMENT DIVISION

From the General Fund

10,274,159	10,745,768
------------	------------

From the Fish and Wildlife Fund (IC 14-22-3-2)

12,322,819	12,888,397
------------	------------

Augmentation allowed from the Fish and Wildlife Fund.

The amounts specified from the General Fund and the Fish and Wildlife Fund are for the following purposes:

Personal Services	18,775,031	19,812,218
Other Operating Expense	3,821,947	3,821,947

The above appropriations for personal services law enforcement division include funds for a new 20-year pay matrix that increases the maximum annual salary for the officer rank to \$60,000 phased in over the 2008-2009 biennium.

FISH AND WILDLIFE DIVISION

Fish and Wildlife Fund (IC 14-22-3-2)

Personal Services	12,516,802	12,516,802
Other Operating Expense	5,306,937	5,306,937

Augmentation allowed.

FORESTRY DIVISION

From the General Fund

1,087,227	1,087,227
------------------	------------------

From the State Forestry Fund (IC 14-23-3-2)

11,327,465	11,327,465
-------------------	-------------------

Augmentation allowed from the State Forestry Fund.

The amounts specified from the General Fund and the State Forestry Fund are for the following purposes:

Personal Services	7,912,404	7,912,404
Other Operating Expense	4,502,288	4,502,288

All money expended by the division of forestry of the department of natural resources for the detention and suppression of forest, grassland, and wasteland fires shall be through the enforcement division of the department, and the employment with such money of all personnel, with the exception of emergency labor, shall be in accordance with IC 14-9-8.

RECLAMATION DIVISION

From the General Fund

1,478	1,478
--------------	--------------

From the Natural Resources Reclamation Division Fund (IC 14-34-14-2)

4,931,999	4,931,999
------------------	------------------

Augmentation allowed from the Natural Resources Reclamation Division Fund.

The amounts specified from the General Fund and the Natural Resources Reclamation Division Fund are for the following purposes:

Personal Services	4,253,559	4,253,559
Other Operating Expense	679,918	679,918

In addition to any of the foregoing appropriations for the department of natural resources, any federal funds received by the state of Indiana for support of approved outdoor recreation projects for planning, acquisition, and development under the provisions of the federal Land and Water Conservation Fund Act, P.L.88-578, are appropriated

for the uses and purposes for which the funds were paid to the state, and shall be distributed by the department of natural resources to state agencies and other governmental units in accordance with the provisions under which the funds were received.

LAKE MICHIGAN COASTAL PROGRAM

Cigarette Tax Fund (IC 6-7-1-29.1)

Total Operating Expense	134,547	134,547
--------------------------------	----------------	----------------

Augmentation allowed.

LAKE AND RIVER ENHANCEMENT

Lake and River Enhancement Fund (IC 6-6-11-12.5)

Total Operating Expense		4,685,856
--------------------------------	--	------------------

Augmentation allowed.

CONSERVATION OFFICERS' MARINE ENFORCEMENT FUND

Lake and River Enhancement Fund (IC 6-6-11-12.5)

Total Operating Expense	820,000	820,000
--------------------------------	----------------	----------------

Augmentation allowed.

HERITAGE TRUST

Total Operating Expense	2,000,000	2,000,000
--------------------------------	------------------	------------------

B. OTHER NATURAL RESOURCES

FOR THE WORLD WAR MEMORIAL COMMISSION

Personal Services	1,001,309	1,001,309
--------------------------	------------------	------------------

Other Operating Expense	534,125	534,125
--------------------------------	----------------	----------------

All revenues received as rent for space in the buildings located at 777 North Meridian Street and 700 North Pennsylvania Street, in the city of Indianapolis, that exceed the costs of operation and maintenance of the space rented, shall be paid into the general fund. The American Legion shall provide for the complete maintenance of the interior of these buildings.

FOR THE INDIANA ABRAHAM LINCOLN BICENTENNIAL COMMISSION

Total Operating Expense	737,500	737,500
--------------------------------	----------------	----------------

FOR THE WHITE RIVER PARK COMMISSION

Total Operating Expense	1,218,267	1,218,267
--------------------------------	------------------	------------------

FOR THE MAUMEE RIVER BASIN COMMISSION

Total Operating Expense	75,000	75,000
--------------------------------	---------------	---------------

FOR THE ST. JOSEPH RIVER BASIN COMMISSION

Total Operating Expense	65,127	65,127
--------------------------------	---------------	---------------

FOR THE KANKAKEE RIVER BASIN COMMISSION

Total Operating Expense	75,000	75,000
--------------------------------	---------------	---------------

C. ENVIRONMENTAL MANAGEMENT

FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

ADMINISTRATION

From the General Fund

4,320,865	4,320,865
------------------	------------------

From the State Solid Waste Management Fund (IC 13-20-22-2)

111,482	122,493
----------------	----------------

From the Waste Tire Management Fund (IC 13-20-13-8)

44,784	46,088
---------------	---------------

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

720,075	615,736
----------------	----------------

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

812,454	825,445
----------------	----------------

From the Environmental Management Special Fund (IC 13-14-12-1)

83,604	93,766
---------------	---------------

From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

199,570	206,379
----------------	----------------

From the Asbestos Trust Fund (IC 13-17-6-3)

28,829	32,854
---------------	---------------

From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

36,678	37,746
---------------	---------------

From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

1,949,685	2,006,468
------------------	------------------

From the Lead Trust Fund (IC 13-17-14-6)

1,330	1,516
--------------	--------------

Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, Underground Petroleum Storage Tank Excess Liability Trust Fund, and Lead Trust Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, Underground Petroleum Storage Tank Excess Liability Trust Fund, and Lead Trust Fund are for the following purposes:

Personal Services	5,829,424	5,829,424
--------------------------	------------------	------------------

Other Operating Expense	2,479,932	2,479,932
--------------------------------	------------------	------------------

LABORATORY CONTRACTS

General Fund

244,886	113,746
----------------	----------------

Environmental Management Special Fund (IC 13-14-12-1)

671,809	802,949
----------------	----------------

Hazardous Substances Response Trust Fund (IC 13-25-4-1)

1,565,126	1,565,126
------------------	------------------

Augmentation allowed from the Environmental Management Special Fund and the Hazardous Substances Response Trust Fund.

The amounts specified from the General Fund, Environmental Management Special Fund, and Hazardous Substances Response Trust Fund are for the following purpose:

Total Operating Expense	2,481,821	2,481,821
-------------------------	-----------	-----------

NORTHWEST REGIONAL OFFICE

From the General Fund

589,301	589,601
---------	---------

From the State Solid Waste Management Fund (IC 13-20-22-2)

34,569	40,242
--------	--------

From the Waste Tire Management Fund (IC 13-20-13-8)

18,810	20,232
--------	--------

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

434,188	393,452
---------	---------

From the Environmental Management Permit Operation Fund (IC 13-15-11-1)

280,387	297,510
---------	---------

From the Environmental Management Special Fund (IC 13-14-12-1)

29,198	34,682
--------	--------

From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

81,723	88,280
--------	--------

From the Asbestos Trust Fund (IC 13-17-6-3)

17,383	20,993
--------	--------

From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

15,405	16,570
--------	--------

From the Lead Trust Fund (IC 13-17-14-6)

802	969
-----	-----

Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Lead Trust Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Lead Trust Fund are for the following purposes:

Personal Services	1,275,506	1,275,506
Other Operating Expense	226,260	227,025

NORTHERN REGIONAL OFFICE

From the General Fund

431,985	462,585
---------	---------

From the State Solid Waste Management Fund (IC 13-20-22-2)

45,014	55,768
--------	--------

From the Waste Tire Management Fund (IC 13-20-13-8)

12,246	14,019
--------	--------

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

1	376,914	363,498
2	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)	
3	288,572	326,712
4	From the Environmental Management Special Fund (IC 13-14-12-1)	
5	29,549	36,621
6	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)	
7	57,061	65,943
8	From the Asbestos Trust Fund (IC 13-17-6-3)	
9	15,090	19,395
10	From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)	
11	10,030	11,481
12	From the Lead Trust Fund (IC 13-17-14-6)	
13	696	895
14	Augmentation allowed from the State Solid Waste Management Fund,	
15	Waste Tire Management Fund, Title V Operating Permit Program Trust Fund,	
16	Environmental Management Permit Operation Fund, Environmental Management	
17	Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund,	
18	Underground Petroleum Storage Tank Trust Fund, and Lead Trust Fund.	

19
20 The amounts specified from the General Fund, State Solid Waste Management Fund, Waste
21 Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental
22 Management Permit Operation Fund, Environmental Management Special Fund, Hazardous
23 Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage
24 Tank Trust Fund, and Lead Trust Fund are for the following purposes:

25			
26	Personal Services	1,082,790	1,082,790
27	Other Operating Expense	184,367	274,127
28			

29 **SOUTHWEST REGIONAL OFFICE**

30	From the General Fund	
31	424,876	424,876
32	From the State Solid Waste Management Fund (IC 13-20-22-2)	
33	121,800	126,933
34	From the Waste Tire Management Fund (IC 13-20-13-8)	
35	16,630	17,443
36	From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)	
37	191,931	169,603
38	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)	
39	190,303	196,487
40	From the Environmental Management Special Fund (IC 13-14-12-1)	
41	40,662	44,735
42	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)	
43	87,872	91,902
44	From the Asbestos Trust Fund (IC 13-17-6-3)	
45	7,684	9,050
46	From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)	
47	13,620	14,286
48	From the Lead Trust Fund (IC 13-17-14-6)	
49	355	418

1 **Augmentation allowed from the State Solid Waste Management Fund, Waste Tire**
2 **Management Fund, Title V Operating Permit Program Trust Fund, Environmental**
3 **Management Permit Operation Fund, Environmental Management Special Fund,**
4 **Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground**
5 **Petroleum Storage Tank Trust Fund, and Lead Trust Fund.**

7 **The amounts specified from the General Fund, State Solid Waste Management Fund, Waste**
8 **Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental**
9 **Management Permit Operation Fund, Environmental Management Special Fund, Hazardous**
10 **Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage**
11 **Tank Trust Fund, and Lead Trust Fund are for the following purposes:**

13	Personal Services	911,741	911,741
14	Other Operating Expense	183,992	183,992

17 **LEGAL AFFAIRS**

18	From the General Fund		
19	532,441	532,441	
20	From the State Solid Waste Management Fund (IC 13-20-22-2)		
21	27,157	31,023	
22	From the Waste Tire Management Fund (IC 13-20-13-8)		
23	8,708	9,158	
24	From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)		
25	111,467	99,121	
26	From the Environmental Management Permit Operation Fund (IC 13-15-11-1)		
27	167,294	174,261	
28	From the Environmental Management Special Fund (IC 13-14-12-1)		
29	17,879	20,559	
30	From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
31	39,744	42,151	
32	From the Asbestos Trust Fund (IC 13-17-6-3)		
33	4,463	5,289	
34	From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
35	7,132	7,500	
36	From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
37	379,114	398,678	
38	From the Lead Trust Fund (IC 13-17-14-6)		
39	206	244	

40 **Augmentation allowed from the State Solid Waste Management Fund, Waste Tire**
41 **Management Fund, Title V Operating Permit Program Trust Fund, Environmental**
42 **Management Permit Operation Fund, Environmental Management Special Fund,**
43 **Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground**
44 **Petroleum Storage Tank Trust Fund, Underground Petroleum Storage Tank Excess**
45 **Liability Trust Fund, and Lead Trust Fund.**

47 **The amounts specified from the General Fund, State Solid Waste Management Fund, Waste**
48 **Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental**
49 **Management Permit Operation Fund, Environmental Management Special Fund, Hazardous**

Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, Underground Petroleum Storage Tank Excess Liability Trust Fund, and Lead Trust Fund are for the following purposes:

Personal Services	806,542	806,542
Other Operating Expense	489,063	513,883

ENFORCEMENT

From the General Fund

1,093,915	1,093,915
-----------	-----------

From the State Solid Waste Management Fund (IC 13-20-22-2)

3,592	4,118
-------	-------

From the Waste Tire Management Fund (IC 13-20-13-8)

77,266	80,138
--------	--------

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

308,247	275,056
---------	---------

From the Environmental Management Special Fund (IC 13-14-12-1)

78,809	92,721
--------	--------

From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)

312,003	323,089
---------	---------

From the Asbestos Trust Fund (IC 13-17-6-3)

12,341	14,676
--------	--------

From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

63,281	65,633
--------	--------

From the Lead Trust Fund (IC 13-17-14-6)

569	677
-----	-----

Augmentation allowed from the State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Lead Trust Fund.

The amounts specified from the General Fund, State Solid Waste Management Fund, Waste Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, and Lead Trust Fund are for the following purposes:

Personal Services	1,837,953	1,837,953
Other Operating Expense	112,070	112,070

INVESTIGATIONS

From the General Fund

191,714	191,714
---------	---------

From the State Solid Waste Management Fund (IC 13-20-22-2)

6,215	6,258
-------	-------

From the Waste Tire Management Fund (IC 13-20-13-8)

15,522	16,179
--------	--------

From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

39,350	30,724
--------	--------

1 From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
2 123,334 125,580

3 From the Environmental Management Special Fund (IC 13-14-12-1)
4 13,478 16,015

5 From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)
6 63,620 66,158

7 From the Asbestos Trust Fund (IC 13-17-6-3)
8 1,575 1,639

9 From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
10 12,713 13,251

11 From the Lead Trust Fund (IC 13-17-14-6)
12 73 76

13 Augmentation allowed from the State Solid Waste Management Fund, Waste Tire
14 Management Fund, Title V Operating Permit Program Trust Fund, Environmental
15 Management Permit Operation Fund, Environmental Management Special Fund,
16 Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground
17 Petroleum Storage Tank Trust Fund, and Lead Trust Fund.

18
19 The amounts specified from the General Fund, State Solid Waste Management Fund, Waste
20 Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental
21 Management Permit Operation Fund, Environmental Management Special Fund, Hazardous
22 Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage
23 Tank Trust Fund, and Lead Trust Fund are for the following purposes:

24
25 Personal Services 373,135 373,135
26 Other Operating Expense 94,459 94,459

27
28 **MEDIA AND COMMUNICATIONS**

29 From the General Fund
30 446,898 446,898
31 From the State Solid Waste Management Fund (IC 13-20-22-2)
32 10,068 10,137
33 From the Waste Tire Management Fund (IC 13-20-13-8)
34 5,710 5,941
35 From the Title V Operating Permit Program Trust Fund (IC 13-17-8-1)
36 63,743 49,770
37 From the Environmental Management Permit Operation Fund (IC 13-15-11-1)
38 78,335 79,708
39 From the Environmental Management Special Fund (IC 13-14-12-1)
40 8,391 9,403
41 From the Hazardous Substances Response Trust Fund (IC 13-25-4-1)
42 24,734 25,637
43 From the Asbestos Trust Fund (IC 13-17-6-3)
44 2,552 2,656
45 From the Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)
46 4,676 4,866
47 From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)
48 248,571 258,657
49 From the Lead Trust Fund (IC 13-17-14-6)

Tire Management Fund, Title V Operating Permit Program Trust Fund, Environmental Management Permit Operation Fund, Environmental Management Special Fund, Hazardous Substances Response Trust Fund, Asbestos Trust Fund, Underground Petroleum Storage Tank Trust Fund, Underground Petroleum Storage Tank Excess Liability Trust Fund, and Lead Trust Fund are for the following purposes:

Personal Services	1,020,294	1,020,294
Other Operating Expense	108,948	108,948
OHIO RIVER VALLEY WATER SANITATION COMMISSION		
Environmental Management Special Fund (IC 13-14-12-1)		
Total Operating Expense	252,500	252,500
Augmentation allowed.		
OFFICE OF ENVIRONMENTAL RESPONSE		
Personal Services	2,177,219	2,177,219
Other Operating Expense	321,248	353,248
POLLUTION PREVENTION AND TECHNICAL ASSISTANCE		
Personal Services	1,300,207	1,300,207
Other Operating Expense	808,621	808,621
PCB INSPECTIONS		
Environmental Management Permit Operation Fund (IC 13-15-11-1)		
Total Operating Expense	30,561	30,561
Augmentation allowed.		
U.S. GEOLOGICAL SURVEY CONTRACTS		
Environmental Management Special Fund (IC 13-14-12-1)		
Total Operating Expense	62,890	62,890
Augmentation allowed.		
STATE SOLID WASTE GRANTS MANAGEMENT		
State Solid Waste Management Fund (IC 13-20-22-2)		
Personal Services	385,092	385,092
Other Operating Expense	1,378,808	1,378,808
Augmentation allowed.		
RECYCLING OPERATING		
Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)		
Personal Services	259,711	259,711
Other Operating Expense	90,292	90,292
Augmentation allowed.		
VOLUNTARY CLEAN-UP PROGRAM		
Voluntary Remediation Fund (IC 13-25-5-21)		
Personal Services	665,627	665,627
Other Operating Expense	229,900	229,900
Augmentation allowed.		
TITLE V AIR PERMIT PROGRAM		
Title V Operating Permit Program Trust Fund (IC 13-17-8-1)		
Personal Services	7,265,027	7,265,027
Other Operating Expense	4,501,920	1,564,171
Augmentation allowed.		
WATER MANAGEMENT PERMITTING		
From the General Fund		

1 2,548,364 2,527,288
2 **From the Environmental Management Permit Operation Fund (IC 13-15-11-1)**
3 5,593,375 5,547,117
4 **Augmentation allowed from the Environmental Management Permit Operation Fund.**

5
6 **The amounts specified from the General Fund and the Environmental Management Permit**
7 **Operation Fund are for the following purposes:**

9 Personal Services	6,882,416	6,882,416
10 Other Operating Expense	1,259,323	1,191,989

11
12 **SOLID WASTE MANAGEMENT PERMITTING**

13 **From the General Fund**
14 2,337,961 2,311,961
15 **From the Environmental Management Permit Operation Fund (IC 13-15-11-1)**
16 3,656,812 3,163,482
17 **Augmentation allowed from the Environmental Management Permit Operation Fund.**

18
19 **The amounts specified from the General Fund and the Environmental Management Permit**
20 **Operation Fund are for the following purposes:**

22 Personal Services	4,723,666	4,723,666
23 Other Operating Expense	1,271,107	751,777

24
25 **CFO/CAFO INSPECTIONS**

26 Total Operating Expense	450,000	450,000
-----------------------------------	----------------	----------------

27
28 **HAZARDOUS WASTE MANAGEMENT PERMITTING**

29 **From the General Fund**
30 2,380,469 2,370,335
31 **From the Environmental Management Permit Operation Fund (IC 13-15-11-1)**
32 2,899,411 2,487,311
33 **Augmentation allowed from the Environmental Management Permit Operation Fund.**

34
35 **The amounts specified from the General Fund and the Environmental Management Permit**
36 **Operation Fund are for the following purposes:**

38 Personal Services	4,245,060	4,245,060
39 Other Operating Expense	1,034,820	612,586

40
41 **SAFE DRINKING WATER PROGRAM**

42 **From the General Fund**
43 438,561 415,228
44 **From the Environmental Management Permit Operation Fund (IC 13-15-11-1)**
45 2,280,509 2,159,176
46 **Augmentation allowed from the Environmental Management Permit Operation Fund.**

47
48 **The amounts specified from the General Fund and the Environmental Management Permit**
49 **Operation Fund are for the following purposes:**

	<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1			
2	Personal Services	1,955,356	1,955,356
3	Other Operating Expense	763,714	619,048
4			
5	CLEAN VESSEL PUMPOUT		
6	Environmental Management Special Fund (IC 13-14-12-1)		
7	Total Operating Expense	129,618	47,122
8	Augmentation allowed.		
9	GROUNDWATER PROGRAM		
10	Environmental Management Special Fund (IC 13-14-12-1)		
11	Total Operating Expense	128,839	128,839
12	Augmentation allowed.		
13	UNDERGROUND STORAGE TANK PROGRAM		
14	Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
15	Total Operating Expense	135,959	135,959
16	Augmentation allowed.		
17	AIR MANAGEMENT OPERATING		
18	Personal Services	466,703	468,372
19	Other Operating Expense	354,057	324,817
20	WATER MANAGEMENT NONPERMITTING		
21	Personal Services	2,528,259	2,528,259
22	Other Operating Expense	708,888	708,888
23	GREAT LAKES INITIATIVE		
24	Environmental Management Special Fund (IC 13-14-12-1)		
25	Total Operating Expense	57,207	57,207
26	Augmentation allowed.		
27	OUTREACH OPERATOR TRAINING		
28	General Fund		
29	Total Operating Expense	3,059	3,059
30	Environmental Management Special Fund (IC 13-14-12-1)		
31	Total Operating Expense	6,116	6,116
32	Augmentation allowed.		
33	LEAKING UNDERGROUND STORAGE TANKS		
34	Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		
35	Personal Services	145,472	145,472
36	Other Operating Expense	18,201	18,201
37	Augmentation allowed.		
38	CORE SUPERFUND		
39	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
40	Total Operating Expense	28,337	20,737
41	Augmentation allowed.		
42	AUTO EMISSIONS TESTING PROGRAM		
43	Personal Services	111,387	111,387
44	Other Operating Expense	5,628,528	5,826,564

The above appropriations for auto emissions testing are the maximum amounts available for this purpose. If it becomes necessary to conduct additional tests in other locations, the above appropriations shall be prorated among all locations.

1	HAZARDOUS WASTE SITE - STATE CLEAN-UP		
2	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
3	Personal Services	1,407,860	1,407,860
4	Other Operating Expense	594,171	594,171
5	Augmentation allowed.		
6	HAZARDOUS WASTE SITES - NATURAL RESOURCE DAMAGES		
7	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
8	Personal Services	181,465	181,465
9	Other Operating Expense	320,752	320,752
10	Augmentation allowed.		
11	SUPERFUND MATCH		
12	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
13	Total Operating Expense	150,000	150,000
14	Augmentation allowed.		
15	HOUSEHOLD HAZARDOUS WASTE		
16	Hazardous Substances Response Trust Fund (IC 13-25-4-1)		
17	Other Operating Expense	302,000	302,000
18	Augmentation allowed.		
19	ASBESTOS TRUST - OPERATING		
20	Asbestos Trust Fund (IC 13-17-6-3)		
21	Personal Services	314,003	314,003
22	Other Operating Expense	157,097	157,097
23	Augmentation allowed.		
24	UNDERGROUND PETROLEUM STORAGE TANK - OPERATING		
25	Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
26	Personal Services	1,009,924	1,009,924
27	Other Operating Expense	44,876,323	44,876,323
28	Augmentation allowed.		
29	WASTE TIRE MANAGEMENT		
30	Waste Tire Management Fund (IC 13-20-13-8)		
31	Total Operating Expense	1,100,000	1,100,000
32	Augmentation allowed.		
33	VOLUNTARY COMPLIANCE		
34	Environmental Management Special Fund (IC 13-14-12-1)		
35	Personal Services	166,994	166,994
36	Other Operating Expense	183,752	183,752
37	Augmentation allowed.		
38	ENVIRONMENTAL MANAGEMENT SPECIAL FUND - OPERATING		
39	Environmental Management Special Fund (IC 13-14-12-1)		
40	Total Operating Expense	400,000	400,000
41	Augmentation allowed.		
42	SMALL TOWN COMPLIANCE		
43	Environmental Management Special Fund (IC 13-14-12-1)		
44	Total Operating Expense	60,000	60,000
45	Augmentation allowed.		
46	STATE INNOVATION - CLEAN COMMUNITIES CHALLENGE		
47	Total Operating Expense	21,682	0
48	PETROLEUM TRUST - OPERATING		
49	Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)		

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Personal Services	185,637	185,637	
2	Other Operating Expense	377,962	377,962	
3	Augmentation allowed.			
4	LEAD BASED PAINT ACTIVITIES PROGRAM			
5	Lead Trust Fund (IC 13-17-14-6)			
6	Total Operating Expense	21,736	21,736	
7	Augmentation allowed.			
8				
9	Notwithstanding any other law, with the approval of the Governor and the budget agency,			
10	the above appropriations for hazardous waste management permitting, wetlands			
11	protection, watershed management, groundwater program, underground storage tanks,			
12	air management operating, asbestos trust operating, lead based paint activities program,			
13	water management nonpermitting, pollution prevention incentives for states, safe			
14	drinking water program, and any other appropriation eligible to be included in a			
15	performance partnership grant may be used to fund activities incorporated into a			
16	performance partnership grant between the United States Environmental Protection			
17	Agency and the department of environmental management.			
18				
19	FOR THE OFFICE OF ENVIRONMENTAL ADJUDICATION			
20	Personal Services	361,013	361,013	
21	Other Operating Expense	108,158	90,282	
22				
23	SECTION 6. [EFFECTIVE JULY 1, 2007]			
24				
25	ECONOMIC DEVELOPMENT			
26				
27	A. AGRICULTURE			
28				
29	FOR THE DEPARTMENT OF AGRICULTURE			
30	Personal Services	1,880,083	1,880,083	
31	Other Operating Expense	605,366	605,366	
32				
33	VALUE ADDED RESEARCH			
34	Value Added Research Fund (IC 4-4-3.4-4)			
35	Total Operating Expense			1,311,000
36				
37	CLEAN WATER INDIANA			
38	General Fund			
39	Total Operating Expense	500,000	500,000	
40	Cigarette Tax Fund (IC 6-7-1-29.3)			
41	Total Operating Expense	3,750,000	3,750,000	
42	Augmentation allowed.			
43				
44	SOIL CONSERVATION DIVISION			
45	Cigarette Tax Fund (IC 6-7-1-29.1)			
46	Total Operating Expense	1,937,652	1,937,652	
47	Augmentation allowed.			
48				
49	GRAIN BUYERS AND WAREHOUSE LICENSING AGENCY			

1	Grain Buyers and Warehouse Licensing Agency Fund (IC 26-3-7-6.3)		
2	Total Operating Expense	160,000	160,000
3	Augmentation allowed.		

4

5 **B. COMMERCE**

6

7 **FOR THE LIEUTENANT GOVERNOR**

8 **OFFICE OF RURAL AFFAIRS**

9	Personal Services	1,514,377	1,514,377
10	Other Operating Expense	410,322	410,322

11 **RURAL ECONOMIC DEVELOPMENT FUND**

12 **Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)**

13	Total Operating Expense	3,603,480	3,603,480
----	--------------------------------	------------------	------------------

14 **OFFICE OF TOURISM**

15	Total Operating Expense	4,813,369	4,813,369
----	--------------------------------	------------------	------------------

16 **RECYCLING PROMOTION AND ASSISTANCE PROGRAM**

17 **Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)**

18	Total Operating Expense	1,395,000	1,395,000
----	--------------------------------	------------------	------------------

19 **Augmentation allowed.**

20 **STATE ENERGY PROGRAM**

21	Total Operating Expense	263,788	263,788
----	--------------------------------	----------------	----------------

22 **FOOD ASSISTANCE PROGRAM**

23	Total Operating Expense	145,506	145,506
----	--------------------------------	----------------	----------------

24

25 **FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION**

26 **ADMINISTRATIVE AND FINANCIAL SERVICES**

27 **From the General Fund**

28	6,611,741	6,611,741	
----	------------------	------------------	--

29 **From the Training 2000 Fund (IC 5-28-7-5)**

30	185,630	185,630	
----	----------------	----------------	--

31 **From the Industrial Development Grant Fund (IC 5-28-25-4)**

32	52,139	52,139	
----	---------------	---------------	--

33

34 **The amounts specified from the General Fund, Training 2000 Fund, and Industrial Development**

35 **Grant Fund are for the following purposes:**

36			
37	Total Operating Expense	6,849,510	6,849,510

38

39 **INDIANA LIFE SCIENCES**

40	Total Operating Expense	0	20,000,000
----	--------------------------------	----------	-------------------

41

42 **The above appropriations are to provide grants of \$15,000,000 to Indiana University School**

43 **of Medicine and grants of \$5,000,000 to Purdue University to support the recruitment and**

44 **retention of world class scientists specializing in the life sciences.**

45

46 **21ST CENTURY RESEARCH AND TECHNOLOGY FUND**

47	Total Operating Expense	34,875,000	34,875,000
----	--------------------------------	-------------------	-------------------

48 **IN HIGH GROWTH BUSINESS INCENTIVE FUND (IC 5-28)**

49	Total Operating Expense	3,000,000	3,000,000
----	--------------------------------	------------------	------------------

	<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1 INTERNATIONAL TRADE			
2 Total Operating Expense	1,297,049	1,297,049	
3 ENTERPRISE ZONE PROGRAM			
4 Indiana Enterprise Zone Fund (IC 5-28-15-6)			
5 Total Operating Expense	241,860	241,860	
6 Augmentation allowed.			
7 LOCAL ECONOMIC DEVELOPMENT ORGANIZATION/ 8 REGIONAL ECONOMIC DEVELOPMENT ORGANIZATION 9 (LEDO/REDO) MATCHING GRANT PROGRAM			
10 Total Operating Expense			1,767,000
11 TRAINING 2000			
12 General Fund			
13 Total Operating Expense			21,529,536
14 Training 2000 Fund (IC 5-28-7-5)			
15 Total Operating Expense			4,470,464
16 Augmentation allowed.			
17 BUSINESS PROMOTION PROGRAM			
18 Total Operating Expense			2,112,502
19 TRADE PROMOTION PROGRAM			
20 Total Operating Expense	186,000	186,000	
21 ECONOMIC DEVELOPMENT GRANT AND LOAN PROGRAM			
22 General Fund			
23 Total Operating Expense			1,116,000
24 Economic Development Fund (IC 5-28-8-5)			
25 Total Operating Expense			384,000
26 Augmentation allowed.			
27 INDUSTRIAL DEVELOPMENT GRANT PROGRAM			
28 General Fund			
29 Total Operating Expense			6,500,000
30 Industrial Development Grant Fund (IC 5-28-25-4)			
31 Total Operating Expense			1,555,000
32 Augmentation allowed.			
33 TECHNOLOGY DEVELOPMENT GRANT PROGRAM			
34 Total Operating Expense	2,100,000	2,100,000	
35 STRATEGIC DEVELOPMENT FUND			
36 Strategic Development Fund			
37 Total Operating Expense			30,000
38			
39 FOR THE INDIANA FINANCE AUTHORITY (IFA)			
40 CAPITAL ACCESS PROGRAM			
41 Total Operating Expense			1,155,524
42 ENVIRONMENTAL REMEDIATION REVOLVING LOAN PROGRAM			
43 Total Operating Expense			2,325,000
44 PROJECT GUARANTY PROGRAM			
45 Total Operating Expense			1,674,000
46 BUSINESS DEVELOPMENT LOAN PROGRAM			
47 Total Operating Expense			1,860,000
48			
49 FOR THE HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY			

INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS

Total Operating Expense	1,600,000	1,800,000
--------------------------------	------------------	------------------

The housing and community development authority shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

Family and social services administration, division of family resources shall apply all qualifying expenditures for individual development accounts deposits toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

MORTGAGE FORECLOSURE COUNSELING

Total Operating Expense	400,000	400,000
--------------------------------	----------------	----------------

C. EMPLOYMENT SERVICES

**FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT
ADMINISTRATION**

Total Operating Expense	1,681,603	1,681,603
--------------------------------	------------------	------------------

SEXUAL ASSAULT VICTIMS ASSISTANCE

Sexual Assault Victims Assistance Account (IC 4-23-25-11(i))

Total Operating Expense	49,000	49,000
--------------------------------	---------------	---------------

The full amount of the above appropriations shall be distributed to rape crisis centers in Indiana without any deduction of personal services or other operating expenses of any state agency.

WOMEN'S COMMISSION

Personal Services	135,000	135,000
--------------------------	----------------	----------------

Other Operating Expense	20,627	20,627
--------------------------------	---------------	---------------

NATIVE AMERICAN INDIAN AFFAIRS COMMISSION

Total Operating Expense	100,000	100,000
--------------------------------	----------------	----------------

COMMISSION ON HISPANIC/LATINO AFFAIRS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	145,000	145,000
--------------------------------	----------------	----------------

The above appropriations are in addition to any funding for the commission derived from funds appropriated to the department of workforce development.

D. OTHER ECONOMIC DEVELOPMENT

**FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM
I-LIGHT 2 - BLACK FIBER**

Total Operating Expense	11,000,000
--------------------------------	-------------------

The Indiana higher education telecommunications system shall administer the I-Light 2-Black Fiber project.

The above appropriation includes \$7,000,000 of funding to the I-Light 2-Black Fiber and \$4,000,000 of funding for I-Span.

SECTION 7. [EFFECTIVE JULY 1, 2007]

TRANSPORTATION

FOR THE DEPARTMENT OF TRANSPORTATION

For the conduct and operation of the department of transportation, the following sums are appropriated for the periods designated, from the state general fund, the public mass transportation fund, the industrial rail service fund, the state highway fund, the motor vehicle highway account, the distressed road fund, the state highway road construction and improvement fund, the motor carrier regulation fund, and the crossroads 2000 fund.

INTERMODAL OPERATING

From the State Highway Fund (IC 8-23-9-54)

491,232	491,232
---------	---------

From the Department of Transportation Administration Fund

13,680	13,680
--------	--------

From the Public Mass Transportation Fund (IC 8-23-3-8)

336,609	336,609
---------	---------

From the Industrial Rail Service Fund (IC 8-3-1.7-2)

336,609	336,609
---------	---------

Augmentation allowed from the State Highway Fund, Public Mass Transportation Fund, and Industrial Rail Service Fund.

The amounts specified from the State Highway Fund, the Public Mass Transportation Fund, and the Industrial Rail Service Fund are for the following purposes:

Personal Services	1,096,965	1,096,965
Other Operating Expense	81,165	81,165

INTERMODAL GRANT PROGRAM

Department of Transportation Administration Fund

Total Operating Expense	42,000	42,000
-------------------------	--------	--------

Public Mass Transportation Fund (IC 8-23-3-8)

Total Operating Expense	37,500	37,500
-------------------------	--------	--------

Augmentation allowed from Public Mass Transportation Fund.

RAILROAD GRADE CROSSING IMPROVEMENT

State Highway Fund (IC 8-23-9-54)

Total Operating Expense	500,000	500,000
-------------------------	---------	---------

HIGH SPEED RAIL

Industrial Rail Service Fund

Matching Funds		40,000
----------------	--	--------

Augmentation allowed.

PUBLIC MASS TRANSPORTATION

Public Mass Transportation Fund (IC 8-23-3-8)

1	Total Operating Expense	34,874,267	35,583,434
2	Augmentation allowed.		

3

4 In addition to the above appropriation from the public mass transportation fund,
5 the increase in the deposits to the public transportation fund resulting from the
6 amendment of IC 6-2.5-10-1 by this act are appropriated for public mass transportation,
7 total operating expenses in the year the additional amount is deposited. Any unencumbered
8 amount remaining from this appropriation at the end of a state fiscal year remains
9 available in subsequent state fiscal years for the purposes for which it is appropriated.

10

11 The appropriations are to be used solely for the promotion and development of public
12 transportation. The department of transportation shall allocate funds based on a
13 formula approved by the commissioner of the department of transportation.

14

15 The department of transportation may distribute public mass transportation funds
16 to an eligible grantee that provides public transportation in Indiana.

17

18 The state funds can be used to match federal funds available under the Federal Transit
19 Act (49 U.S.C. 1601, et seq.), or local funds from a requesting grantee.

20

21 Before funds may be disbursed to a grantee, the grantee must submit its request for
22 financial assistance to the department of transportation for approval. Allocations
23 must be approved by the governor and the budget agency after review by the budget
24 committee and shall be made on a reimbursement basis. Only applications for capital
25 and operating assistance may be approved. Only those grantees that have met the reporting
26 requirements under IC 8-23-3 are eligible for assistance under this appropriation.

27

28 **HIGHWAY OPERATING**

29 **State Highway Fund (IC 8-23-9-54)**

30	Personal Services	256,004,351	268,000,991
----	--------------------------	--------------------	--------------------

31	Other Operating Expense	54,953,221	56,348,993
----	--------------------------------	-------------------	-------------------

32

33 **HIGHWAY BUILDINGS AND GROUNDS**

34 **State Highway Fund (IC 8-23-9-54)**

35	Total Operating Expense		25,000,000
----	--------------------------------	--	-------------------

36

37 The above appropriations for highway buildings and grounds may be used for land acquisition,
38 site development, construction and equipping of new highway facilities and for maintenance,
39 repair, and rehabilitation of existing state highway facilities after review by the
40 budget committee.

41

42 **HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT**

43 **State Highway Fund (IC 8-23-9-54)**

44	Other Operating Expense	20,420,600	20,420,600
----	--------------------------------	-------------------	-------------------

45

46 The above appropriations for highway operating and highway vehicle and road maintenance
47 equipment may be used for personal services, equipment, and other operating expense,
48 including the cost of transportation for the governor.

49

HIGHWAY MAINTENANCE WORK PROGRAM

State Highway Fund (IC 8-23-9-54)

Other Operating Expense	75,480,000	76,989,600
--------------------------------	-------------------	-------------------

The above appropriations for the highway maintenance work program may be used for:

- (1) materials for patching roadways and shoulders;
- (2) repairing and painting bridges;
- (3) installing signs and signals and painting roadways for traffic control;
- (4) mowing, herbicide application, and brush control;
- (5) drainage control;
- (6) maintenance of rest areas, public roads on properties of the department of natural resources, and driveways on the premises of all state facilities;
- (7) materials for snow and ice removal;
- (8) utility costs for roadway lighting; and
- (9) other special maintenance and support activities consistent with the highway maintenance work program.

HIGHWAY CAPITAL IMPROVEMENTS

State Highway Fund (IC 8-23-9-54)

Right-of-Way Expense	30,000,000	43,200,000
Formal Contracts Expense	64,897,733	46,652,354
Consulting Services Expense	48,000,000	47,200,000
Institutional Road Construction	5,000,000	5,000,000

The above appropriations for the capital improvements program may be used for:

- (1) bridge rehabilitation and replacement;
- (2) road construction, reconstruction, or replacement;
- (3) construction, reconstruction, or replacement of travel lanes, intersections, grade separations, rest parks, and weigh stations;
- (4) relocation and modernization of existing roads;
- (5) resurfacing;
- (6) erosion and slide control;
- (7) construction and improvement of railroad grade crossings, including the use of the appropriations to match federal funds for projects;
- (8) small structure replacements;
- (9) safety and spot improvements; and
- (10) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

The appropriations for highway operating, highway vehicle and road maintenance equipment, highway buildings and grounds, the highway planning and research program, the highway maintenance work program, and highway capital improvements are appropriated from estimated revenues, which include the following:

- (1) Funds distributed to the state highway fund from the motor vehicle highway account under IC 8-14-1-3(4).
- (2) Funds distributed to the state highway fund from the highway, road and street fund under IC 8-14-2-3.
- (3) All fees and miscellaneous revenues deposited in or accruing to the state highway fund under IC 8-23-9-54.

(4) Any unencumbered funds carried forward in the state highway fund from any previous fiscal year.

(5) All other funds appropriated or made available to the department of transportation by the general assembly.

If funds from sources set out above for the department of transportation exceed appropriations from those sources to the department, the excess amount is hereby appropriated to be used for formal contracts with approval of the governor and the budget agency.

If there is a change in a statute reducing or increasing revenue for department use, the budget agency shall notify the auditor of state to adjust the above appropriations to reflect the estimated increase or decrease. Upon the request of the department, the budget agency, with the approval of the governor, may allot any increase in appropriations to the department for formal contracts.

If the department of transportation finds that an emergency exists or that an appropriation will be insufficient to cover expenses incurred in the normal operation of the department, the budget agency may, upon request of the department, and with the approval of the governor, transfer funds from revenue sources set out above from one (1) appropriation to the deficient appropriation. No appropriation from the state highway fund may be used to fund any toll road or toll bridge project except as specifically provided for under IC 8-15-2-20.

HIGHWAY PLANNING AND RESEARCH PROGRAM

State Highway Fund (IC 8-23-9-54)

Total Operating Expense	3,605,000	3,713,150
-------------------------	-----------	-----------

STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM

State Highway Road Construction Improvement Fund (IC 8-14-10-5)

Lease Rental Payments Expense	63,487,461	64,806,454
-------------------------------	------------	------------

Augmentation allowed.

The above appropriations for the state highway road construction and improvement program are appropriated from the state highway road construction and improvement fund provided in IC 8-14-10-5 and may include any unencumbered funds carried forward from any previous fiscal year. The funds shall be first used for payment of rentals and leases relating to projects under IC 8-14.5. If any funds remain, the funds may be used for the following purposes.

- (1) road and bridge construction, reconstruction, or replacement;
- (2) construction, reconstruction, or replacement of travel lanes, intersections, and grade separations;
- (3) relocation and modernization of existing roads; and
- (4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

CROSSROADS 2000 PROGRAM

Crossroads 2000 Fund (IC 8-14-10-9)

Lease Rental Payment Expense	35,928,754	36,288,042
------------------------------	------------	------------

Augmentation allowed.

The above appropriations for the crossroads 2000 program are appropriated from the crossroads 2000 fund provided in IC 8-14-10-9 and may include any unencumbered funds carried forward from any previous fiscal year. The funds shall be first used for payment of rentals and leases relating to projects under IC 8-14-10-9. If any funds remain, the funds may be used for the following purposes.

- (1) road and bridge construction, reconstruction, or replacement;
- (2) construction, reconstruction, or replacement of travel lanes, intersections, and grade separations;
- (3) relocation and modernization of existing roads; and
- (4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

MAJOR MOVES CONSTRUCTION PROGRAM

Major Moves Construction Fund (IC 8-14-14-5)

Formal Contracts Expense	421,000,000	611,000,000
---------------------------------	--------------------	--------------------

FEDERAL APPORTIONMENT

Right-of-Way Expense	64,000,000	74,700,000
-----------------------------	-------------------	-------------------

Formal Contracts Expense	425,788,221	492,103,311
---------------------------------	--------------------	--------------------

Consulting Engineers Expense	149,121,779	108,804,989
-------------------------------------	--------------------	--------------------

Highway Planning and Research	13,390,000	13,791,700
--------------------------------------	-------------------	-------------------

Local Government Revolving Acct.	180,000,000	180,000,000
---	--------------------	--------------------

The department may establish an account to be known as the "local government revolving account". The account is to be used to administer the federal-local highway construction program. All contracts issued and all funds received for federal-local projects under this program shall be entered into this account.

If the federal apportionments for the fiscal years covered by this act exceed the above estimated appropriations for the department or for local governments, the excess federal apportionment is hereby appropriated for use by the department with the approval of the governor and the budget agency.

The department shall bill, in a timely manner, the federal government for all department payments that are eligible for total or partial reimbursement.

The department may let contracts and enter into agreements for construction and preliminary engineering during each year of the 2007-2009 biennium that obligate not more than one-third (1/3) of the amount of state funds estimated by the department to be available for appropriation in the following year for formal contracts and consulting engineers for the capital improvements program.

Under IC 8-23-5-7(a), the department, with the approval of the governor, may construct and maintain roadside parks and highways where highways will connect any state highway now existing, or hereafter constructed, with any state park, state forest preserve, state game preserve, or the grounds of any state institution. There is appropriated to the department of transportation an amount sufficient to carry out the provisions of this paragraph. Under IC 8-23-5-7(d), such appropriations shall be made from

the motor vehicle highway account before distribution to local units of government.

LOCAL TECHNICAL ASSISTANCE AND RESEARCH

Under IC 8-14-1-3(6), there is appropriated to the department of transportation an amount sufficient for:

- (1) the program of technical assistance under IC 8-23-2-5(6); and
- (2) the research and highway extension program conducted for local government under IC 8-17-7-4.

The department shall develop an annual program of work for research and extension in cooperation with those units being served, listing the types of research and educational programs to be undertaken. The commissioner of the department of transportation may make a grant under this appropriation to the institution or agency selected to conduct the annual work program. Under IC 8-14-1-3(6), appropriations for the program of technical assistance and for the program of research and extension shall be taken from the local share of the motor vehicle highway account.

Under IC 8-14-1-3(7) there is hereby appropriated such sums as are necessary to maintain a sufficient working balance in accounts established to match federal and local money for highway projects. These funds are appropriated from the following sources in the proportion specified:

- (1) one-half (1/2) from the forty-seven percent (47%) set aside of the motor vehicle highway account under IC 8-14-1-3(7); and
- (2) for counties and for those cities and towns with a population greater than five thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.

SECTION 8. [EFFECTIVE JULY 1, 2007]

FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

A. FAMILY AND SOCIAL SERVICES

FOR THE STATE BUDGET AGENCY

INDIANA PRESCRIPTION DRUG PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	7,900,000	7,900,000
-------------------------	-----------	-----------

FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

CHILDREN'S HEALTH INSURANCE PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	31,363,603	33,863,603
-------------------------	------------	------------

FAMILY AND SOCIAL SERVICES ADMINISTRATION

Total Operating Expense	23,653,777	25,253,777
-------------------------	------------	------------

OFFICE OF MEDICAID POLICY AND PLANNING - ADMINISTRATION

Total Operating Expense	7,147,309	7,147,309
-------------------------	-----------	-----------

MEDICAID ADMINISTRATION

	<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	37,554,190	37,554,190
2	MEDICAID - CURRENT OBLIGATIONS		
3	General Fund		
4	Total Operating Expense	1,540,350,000	1,617,367,500
5			
6	The auditor of state shall transfer thirty million dollars (\$30,000,000) from the		
7	Indiana Medicaid reserve account to the state general fund before July 1, 2008. The		
8	transferred amount shall be used to fund the above appropriations.		
9			
10	The foregoing appropriations for Medicaid current obligations and for Medicaid administration		
11	are for the purpose of enabling the office of Medicaid policy and planning to carry		
12	out all services as provided in IC 12-8-6. In addition to the above appropriations,		
13	all money received from the federal government and paid into the state treasury as		
14	a grant or allowance is appropriated and shall be expended by the office of Medicaid		
15	policy and planning for the respective purposes for which the money was allocated		
16	and paid to the state. Subject to the provisions of P.L.46-1995, if the sums herein		
17	appropriated for Medicaid current obligations and for Medicaid administration are		
18	insufficient to enable the office of Medicaid policy and planning to meet its obligations,		
19	then there is appropriated from the general fund such further sums as may be		
20	necessary for that purpose, subject to the approval of the governor and the budget		
21	agency.		
22			
23	The foregoing appropriations include funds to serve former residents of the Ft. Wayne		
24	development center in alternative settings.		
25			
26	HOSPITAL CARE FOR THE INDIGENT FUND		
27	Hospital Care for the Indigent Fund (IC 12-16-14-6)		
28	Total Operating Expense	56,900,000	56,900,000
29	Augmentation allowed.		
30			
31	Subject to the approval of the governor and the budget agency, the foregoing appropriations		
32	for Medicaid - Current Obligations may be augmented or reduced based on revenues		
33	accruing to the hospital care for the indigent fund.		
34			
35	MEDICAID DISABILITY ELIGIBILITY EXAMS		
36	Total Operating Expense	1,597,500	1,597,500
37	MENTAL HEALTH ADMINISTRATION		
38	Other Operating Expense	4,164,368	3,945,313
39			
40	Two hundred seventy-five thousand dollars (\$275,000) of the above appropriation for		
41	the state fiscal year beginning July 1, 2007, and ending June 30, 2008, and two hundred		
42	seventy-five thousand dollars (\$275,000) of the above appropriation for the state		
43	fiscal year beginning July 1, 2008, and ending June 30, 2009, shall be distributed in		
44	the state fiscal year to neighborhood based community service programs.		
45			
46	SERIOUSLY EMOTIONALLY DISTURBED		
47	Total Operating Expense	16,469,493	16,469,493
48	SERIOUSLY MENTALLY ILL		
49	General Fund		

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	93,862,579	93,862,579	
2	Mental Health Centers Fund (IC 6-7-1)			
3	Total Operating Expense	4,445,000	4,445,000	
4	Augmentation allowed.			
5	COMMUNITY MENTAL HEALTH CENTERS			
6	General Fund			
7	Total Operating Expense	2,500,000	2,500,000	
8	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
9	Total Operating Expense	4,500,000	4,500,000	
10				
11	The above appropriation from the Tobacco Master Settlement Agreement Fund is in addition			
12	to other funds. The above appropriations for comprehensive community mental health			
13	services include the intragovernmental transfers necessary to provide the nonfederal			
14	share of reimbursement under the Medicaid rehabilitation option.			
15				
16	The comprehensive community mental health centers shall submit their proposed annual			
17	budgets (including income and operating statements) to the budget agency on or before			
18	August 1 of each year. All federal funds shall be applied in augmentation of the			
19	foregoing funds rather than in place of any part of the funds. The office of the			
20	secretary, with the approval of the budget agency, shall determine an equitable allocation			
21	of the appropriation among the mental health centers.			
22				
23	GAMBLERS' ASSISTANCE			
24	Gamblers' Assistance Fund (IC 4-33-12-6)			
25	Total Operating Expense	4,250,000	4,250,000	
26	SUBSTANCE ABUSE TREATMENT			
27	Total Operating Expense	5,006,000	5,006,000	
28				
29	The above appropriation for total operating expense for Substance Abuse Treatment			
30	includes an amount of \$12,500 each year of the biennium for the employment of a drug			
31	and alcohol abuse counselor for the Jefferson County Transitional Services, Inc.			
32	The amount provided for these purposes may not be used for any other purpose.			
33				
34	QUALITY ASSURANCE/RESEARCH			
35	Total Operating Expense	838,000	838,000	
36	PREVENTION			
37	Gamblers' Assistance Fund (IC 4-33-12-6)			
38	Total Operating Expense	2,946,936	2,946,936	
39	Augmentation allowed.			
40	METHADONE DIVERSION CONTROL OVERSIGHT (MDCO) PROGRAM			
41	MDCO Fund (IC 12-23-18)			
42	Total Operating Expense	470,000	470,000	
43	Augmentation allowed.			
44	DMHA YOUTH TOBACCO REDUCTION SUPPORT PROGRAM			
45	Gamblers' Assistance Fund (IC 4-33-12-6)			
46	Total Operating Expense	54,000	54,000	
47	Augmentation allowed.			
48	EVANSVILLE STATE HOSPITAL			
49	General Fund			

1 19,742,381 20,370,852
2 **Mental Health Fund (IC 12-24-14-4)**
3 1,148,082 1,184,515
4 **Augmentation allowed.**

5
6 **The amounts specified from the general fund and the mental health fund are for the**
7 **following purposes:**

8
9 **Personal Services** 16,109,469 16,641,954
10 **Other Operating Expense** 4,780,994 4,913,413

11
12 **LARUE CARTER MEMORIAL HOSPITAL**
13 **General Fund**
14 19,720,483 20,055,861
15 **Mental Health Fund (IC 12-24-14-4)**
16 434,611 442,002
17 **Augmentation allowed.**

18
19 **The amounts specified from the general fund and the mental health fund are for the**
20 **following purposes:**

21
22 **Personal Services** 14,342,859 14,407,858
23 **Other Operating Expense** 5,812,235 6,090,005

24
25 **LOGANSPOUT STATE HOSPITAL**
26 **General Fund**
27 38,505,491 38,505,491
28 **Mental Health Fund (IC 12-24-14-4)**
29 1,772,867 1,772,867
30 **Augmentation allowed.**

31
32 **The amounts specified from the general fund and the mental health fund are for the**
33 **following purposes:**

34
35 **Personal Services** 30,581,477 30,581,477
36 **Other Operating Expense** 9,696,881 9,696,881

37
38 **FARM REVENUE**
39 **Total Operating Expense** 53,857 53,857

40
41 **MADISON STATE HOSPITAL**
42 **General Fund**
43 24,446,358 25,076,297
44 **Mental Health Fund (IC 12-24-14-4)**
45 603,896 617,947
46 **Augmentation allowed.**

47
48 **The amounts specified from the general fund and the mental health fund are for the**
49 **following purposes:**

Personal Services	19,507,771	19,894,862
Other Operating Expense	5,542,483	5,799,382

RICHMOND STATE HOSPITAL

General Fund

30,492,519	30,492,519
-------------------	-------------------

Mental Health Fund (IC 12-24-14-4)

838,545	838,545
----------------	----------------

Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	25,013,994	25,013,994
Other Operating Expense	6,317,070	6,317,070

PATIENT PAYROLL

Total Operating Expense	294,624	294,624
--------------------------------	----------------	----------------

The federal share of revenue accruing to the state mental health institutions under IC 12-15, based on the applicable Federal Medical Assistance Percentage (FMAP), shall be deposited in the mental health fund established by IC 12-24-14-1, and the remainder shall be deposited in the general fund.

In addition to the above appropriations, each institution may qualify for an additional appropriation, or allotment, subject to approval of the governor and the budget agency, from the mental health fund of up to twenty percent (20%), but not to exceed \$50,000 in each fiscal year, of the amount by which actual net collections exceed an amount specified in writing by the division of mental health and addiction before July 1 of each year beginning July 1, 2007.

DIVISION OF FAMILY RESOURCES ADMINISTRATION

Personal Services	7,032,357	7,032,357
Other Operating Expense	1,097,402	1,097,402

COMMISSION ON THE SOCIAL STATUS OF BLACK MALES

Total Operating Expense	139,620	139,620
--------------------------------	----------------	----------------

CHILD CARE LICENSING FUND

Child Care Fund

Total Operating Expense	100,000	100,000
--------------------------------	----------------	----------------

Augmentation allowed.

ELECTRONIC BENEFIT TRANSFER PROGRAM

Total Operating Expense	2,568,096	2,568,096
--------------------------------	------------------	------------------

The foregoing appropriations for the division of family resources Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 31-25-4-28.

STATE WELFARE - COUNTY ADMINISTRATION

Total Operating Expense	71,671,317	68,982,957
--------------------------------	-------------------	-------------------

INDIANA CLIENT ELIGIBILITY SYSTEM (ICES)

Total Operating Expense	7,507,050	7,507,050
--------------------------------	------------------	------------------

IMPACT PROGRAM

Total Operating Expense	2,449,580	2,449,683
--------------------------------	------------------	------------------

TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF)

Total Operating Expense	30,457,943	30,457,943
--------------------------------	-------------------	-------------------

IMPACT - TANF

Total Operating Expense	5,768,527	5,768,672
--------------------------------	------------------	------------------

CHILD CARE & DEVELOPMENT FUND

Total Operating Expense	35,056,200	35,056,200
--------------------------------	-------------------	-------------------

The foregoing appropriations for information systems/technology, education and training, temporary assistance to needy families (TANF), and child care services are for the purpose of enabling the division of family resources to carry out all services as provided in IC 12-14. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the division of family resources for the respective purposes for which such money was allocated and paid to the state.

BURIAL EXPENSES

Total Operating Expense	1,597,500	1,597,500
--------------------------------	------------------	------------------

DOMESTIC VIOLENCE PREVENTION AND TREATMENT

General Fund

Total Operating Expense	1,015,462	1,015,462
--------------------------------	------------------	------------------

Domestic Violence Prevention and Treatment Fund (IC 12-18-4)

Total Operating Expense	1,118,596	1,118,596
--------------------------------	------------------	------------------

Augmentation allowed.

STEP AHEAD

Total Operating Expense	1,789,082	1,789,312
--------------------------------	------------------	------------------

SCHOOL AGE CHILD CARE PROJECT FUND

Total Operating Expense	850,000	950,000
--------------------------------	----------------	----------------

DIVISION OF AGING ADMINISTRATION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Personal Services	250,904	250,904
--------------------------	----------------	----------------

Other Operating Expense	1,253,140	1,253,140
--------------------------------	------------------	------------------

The above appropriations for the division of aging administration are for administrative expenses. Any federal fund reimbursements received for such purposes are to be deposited in the general fund.

ROOM AND BOARD ASSISTANCE (R-CAP)

Total Operating Expense	11,421,472	11,421,472
--------------------------------	-------------------	-------------------

C.H.O.I.C.E. IN-HOME SERVICES

Total Operating Expense	48,765,643	48,765,643
--------------------------------	-------------------	-------------------

The foregoing appropriations for C.H.O.I.C.E. In-Home Services include intragovernmental transfers to provide the nonfederal share of the Medicaid aged and disabled waiver.

The intragovernmental transfers for use in the Medicaid aged and disabled waiver may not exceed in the state fiscal year beginning July 1, 2007, and ending June 30, 2008, \$10,900,000, and the intragovernmental transfers for use in the Medicaid aged and disabled waiver may not exceed in the state fiscal year beginning July 1, 2008, and ending June 30, 2009, \$12,900,000. After July 1, 2007, and before August 1, 2009, the office (as defined in IC 12-7-2-135) shall submit a report to the legislative council in an electronic format under IC 5-14-6 and the governor in each July, October, January, and April specifying the number of persons on the waiting list for C.H.O.I.C.E. In-Home Services at the end of the month preceding the date of the report, a schedule indicating the length of time persons have been on the waiting list, a description of the conditions or problems that contribute to the waiting list, the plan in the next six (6) months after the end of the reporting period to reduce the waiting list, and any other information that is necessary or appropriate to interpret the information provided in the report.

The division of aging shall conduct an annual evaluation of the cost effectiveness of providing home care. Before January of each year, the division shall submit a report to the budget committee, the budget agency, and the legislative council that covers all aspects of the division's evaluation and such other information pertaining thereto as may be requested by the budget committee, the budget agency, or the legislative council, including the following:

- (1) the number and demographic characteristics of the recipients of home care during the preceding fiscal year;
- (2) the total cost and per recipient cost of providing home care services during the preceding fiscal year;
- (3) the number of recipients of home care services who would have been placed in long term care facilities had they not received home care services; and
- (4) the total cost savings during the preceding fiscal year realized by the state due to recipients of home care services (including Medicaid) being diverted from long term care facilities.

The division shall obtain from providers of services data on their costs and expenditures regarding implementation of the program and report the findings to the budget committee, the budget agency, and the legislative council. The report to the legislative council must be in an electronic format under IC 5-14-6.

The foregoing appropriations for C.H.O.I.C.E. In-Home Services do not revert to the state general fund or any other fund at the close of any state fiscal year but remain available for the purposes of C.H.O.I.C.E. In-Home Services in subsequent state fiscal years.

OLDER HOOSIERS ACT

Total Operating Expense	1,662,109	1,622,109
-------------------------	-----------	-----------

ADULT PROTECTIVE SERVICES

Total Operating Expense	2,021,540	2,021,540
-------------------------	-----------	-----------

ADULT GUARDIANSHIP SERVICES

Total Operating Expense	491,863	491,892
-------------------------	---------	---------

TITLE V EMPLOYMENT GRANT (OLDER WORKERS)

Total Operating Expense	228,256	228,256
-------------------------	---------	---------

MEDICAID WAIVER

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	316,333	316,390	
2	OBRA/PASSARR			
3	Total Operating Expense	90,212	90,268	
4	TITLE III ADMINISTRATION GRANT			
5	Total Operating Expense	329,839	249,839	
6	OMBUDSMAN			
7	Total Operating Expense	305,226	305,226	
8				
9	DIVISION OF DISABILITY AND REHABILITATIVE SERVICES ADMINISTRATION			
10	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
11	Total Operating Expense	600,000	600,000	
12				
13	VOCATIONAL REHABILITATION SERVICES			
14	Personal Services	3,690,009	3,690,009	
15	Other Operating Expense	12,058,917	12,058,917	
16	From the above appropriations, at least three hundred thirty-three thousand dollars			
17	(\$333,000) in each state fiscal year shall be used for the Attain Program.			
18				
19	ENDANGERED ADULT GUARDIANSHIP PROGRAM			
20	Total Operating Expense	400,000	600,000	
21				
22	The above appropriations are for six pilot programs, including Lake County and St.			
23	Joseph County.			
24				
25	AID TO INDEPENDENT LIVING			
26	Total Operating Expense	46,927	46,927	
27	INDIANAPOLIS RESOURCE CENTER FOR INDEPENDENT LIVING			
28	Total Operating Expense	265,651	265,651	
29	SOUTHERN INDIANA CENTER FOR INDEPENDENT LIVING			
30	Total Operating Expense	265,651	265,651	
31	ATTIC, INCORPORATED			
32	Total Operating Expense	265,651	265,651	
33	LEAGUE FOR THE BLIND AND DISABLED			
34	Total Operating Expense	265,651	265,651	
35	FUTURE CHOICES, INC.			
36	Total Operating Expense	479,130	479,130	
37	THE WABASH INDEPENDENT LIVING AND LEARNING CENTER, INC.			
38	Total Operating Expense	479,130	479,130	
39	INDEPENDENT LIVING CENTER OF EASTERN INDIANA			
40	Total Operating Expense	479,130	479,130	
41				
42	Notwithstanding any other law, the budget agency, the state board of finance, or			
43	the governor may not transfer or use any of the above appropriations to a particular			
44	purpose or facility than the above stated purpose or facility. The office (as			
45	defined in IC 12-7-2-135) shall act as the paymaster for the above appropriations.			
46				
47	OFFICE OF DEAF AND HEARING IMPAIRED			
48	Personal Services	214,530	214,530	
49	Other Operating Expense	114,590	114,590	

BLIND VENDING OPERATIONS

Total Operating Expense	129,879	129,905
--------------------------------	----------------	----------------

DEVELOPMENTAL DISABILITY RESIDENTIAL FACILITIES COUNCIL

Personal Services	2,970	2,970
--------------------------	--------------	--------------

Other Operating Expense	13,168	13,168
--------------------------------	---------------	---------------

OFFICE OF SERVICES FOR THE BLIND AND VISUALLY IMPAIRED

Personal Services	48,973	48,973
--------------------------	---------------	---------------

Other Operating Expense	32,663	32,663
--------------------------------	---------------	---------------

EMPLOYEE TRAINING

Total Operating Expense	6,112	6,112
--------------------------------	--------------	--------------

BUREAU OF QUALITY IMPROVEMENT SERVICES - BQIS

Total Operating Expense	1,919,027	1,919,027
--------------------------------	------------------	------------------

DAY SERVICES - DEVELOPMENTALLY DISABLED

Other Operating Expense	12,500,000	12,500,000
--------------------------------	-------------------	-------------------

DIAGNOSIS AND EVALUATION

Other Operating Expense	175,000	175,000
--------------------------------	----------------	----------------

SUPPORTED EMPLOYMENT

Other Operating Expense	4,000,000	4,000,000
--------------------------------	------------------	------------------

EPILEPSY PROGRAM

Other Operating Expense	460,954	460,954
--------------------------------	----------------	----------------

CAREGIVER SUPPORT

Other Operating Expense	1,350,000	1,350,000
--------------------------------	------------------	------------------

RESIDENTIAL SERVICES - CASE MANAGEMENT

General Fund

Total Operating Expense	6,957,942	6,788,760
--------------------------------	------------------	------------------

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	1,869,887	1,869,887
--------------------------------	------------------	------------------

Augmentation allowed.

CENTRAL REIMBURSEMENT OFFICE PROGRAM ADMINISTRATION

Total Operating Expense	6,399,705	6,339,705
--------------------------------	------------------	------------------

RESIDENTIAL SERVICES FOR DEVELOPMENTALLY DISABLED PERSONS

General Fund

Total Operating Expense	102,467,677	102,467,677
--------------------------------	--------------------	--------------------

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	22,300,000	22,300,000
--------------------------------	-------------------	-------------------

The above appropriations for residential services for developmentally disabled persons include funds to serve former residents of the Silvercrest Children's Development Center in alternative settings.

The above appropriations for client services include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid program for day services provided to residents of group homes and nursing facilities.

In the development of new community residential settings for persons with developmental disabilities, the division of disability and rehabilitative services must give priority to the appropriate placement of such persons who are eligible for Medicaid and currently residing in intermediate care or skilled nursing facilities and, to the extent permitted by law, such persons who reside with aged parents or guardians or families in crisis.

FOR THE DEPARTMENT OF CHILD SERVICES

DEPARTMENT OF CHILD SERVICES - ADMINISTRATION

Personal Services	84,381,332	87,984,838
Other Operating Expense	19,266,922	18,512,996

The above appropriations for the department of child services - administration include funds to add 400 new caseworker positions over the 2008-2009 biennium.

DEPARTMENT OF CHILD SERVICES - STATE ADMINISTRATION

Personal Services	8,437,193	8,437,193
Other Operating Expense	814,900	787,540

CHILD WELFARE SERVICES STATE GRANTS

General Fund

Total Operating Expense	10,048,884	10,048,884
--------------------------------	-------------------	-------------------

Excise and Financial Institution Taxes

Total Operating Expense	6,275,000	6,275,000
--------------------------------	------------------	------------------

Augmentation allowed.

TITLE IV-D OF THE FEDERAL SOCIAL SECURITY ACT (STATE MATCH)

Total Operating Expense	5,282,841	5,282,841
--------------------------------	------------------	------------------

The foregoing appropriations for the department of child services Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 31-25-4-28.

YOUTH SERVICE BUREAU

Total Operating Expense	1,650,000	1,650,000
--------------------------------	------------------	------------------

PROJECT SAFEPLACE

Total Operating Expense	250,000	250,000
--------------------------------	----------------	----------------

HEALTHY FAMILIES INDIANA

Total Operating Expense	6,223,086	6,223,086
--------------------------------	------------------	------------------

CHILD WELFARE TRAINING

Total Operating Expense	1,537,864	1,537,864
--------------------------------	------------------	------------------

SPECIAL NEEDS ADOPTION II

Personal Services	342,669	342,669
--------------------------	----------------	----------------

Other Operating Expense	377,009	377,009
--------------------------------	----------------	----------------

ADOPTION ASSISTANCE

Total Operating Expense	12,159,147	13,883,265
--------------------------------	-------------------	-------------------

The foregoing appropriations for Title IV-B child welfare and adoption assistance represent the maximum state match for Title IV-B and Title IV-E.

SOCIAL SERVICES BLOCK GRANT (SSBG)

Total Operating Expense	20,863,880	20,863,880
--------------------------------	-------------------	-------------------

The funds appropriated above to the social services block grant are allocated in the following manner during the biennium:

Division of Disability and Rehabilitative Services

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1		343,481	343,481	
2	Division of Family Resources			
3		12,168,423	12,168,423	
4	Division of Aging			
5		687,396	687,396	
6	Department of Child Services			
7		6,072,726	6,072,726	
8	Department of Health			
9		296,504	296,504	
10	Department of Correction			
11		1,295,350	1,295,350	
12				
13	NON-RECURRING ADOPTION ASSISTANCE			
14	Total Operating Expense	625,000	625,000	
15	INDIANA SUPPORT ENFORCEMENT TRACKING (ISETS)			
16	Total Operating Expense	4,972,285	5,312,285	
17	CHILD PROTECTION AUTOMATION PROJECT (ICWIS)			
18	Total Operating Expense	5,421,817	5,421,817	
19				
20	B. PUBLIC HEALTH			
21				
22	FOR THE STATE DEPARTMENT OF HEALTH			
23	General Fund			
24		23,648,061	32,448,061	
25	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
26		8,800,000	0	
27				
28	The amounts specified from the General Fund and the Tobacco Master Settlement Agreement			
29	Fund are for the following purposes:			
30				
31	Personal Services	21,945,887	21,945,887	
32	Other Operating Expense	10,502,174	10,502,174	
33				
34	All receipts to the state department of health from licenses or permit fees shall be deposited			
35	in the state general fund. Augmentation allowed in amounts not to exceed revenue from			
36	penalties or fees collected by the state department of health.			
37				
38	The above appropriations for the state department of health include funds to establish a			
39	medical adverse events reporting system.			
40				
41	CANCER REGISTRY			
42	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
43	Total Operating Expense	648,739	648,739	
44	MINORITY HEALTH INITIATIVE			
45	Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
46	Total Operating Expense	3,000,000	3,000,000	
47				
48	The foregoing appropriations shall be allocated to the Indiana Minority Health Coalition			
49	to work with the state department on the implementation of IC 16-46-11.			

SICKLE CELL

Total Operating Expense	250,000	250,000
--------------------------------	----------------	----------------

AID TO COUNTY TUBERCULOSIS HOSPITALS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	99,879	99,879
--------------------------------	---------------	---------------

These funds shall be used for eligible expenses according to IC 16-21-7-3 for tuberculosis patients for whom there are no other sources of reimbursement, including patient resources, health insurance, medical assistance payments, and hospital care for the indigent.

MEDICARE-MEDICAID CERTIFICATION

Total Operating Expense	6,546,029	6,546,029
--------------------------------	------------------	------------------

Personal services augmentation allowed in amounts not to exceed revenue from health facilities license fees or from health care providers (as defined in IC 16-18-2-163) fee increases or those adopted by the Executive Board of the Indiana State Department of Health pursuant to IC 16-19-3.

AIDS EDUCATION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Personal Services	421,851	422,146
--------------------------	----------------	----------------

Other Operating Expense	277,953	277,953
--------------------------------	----------------	----------------

HIV/AIDS SERVICES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	2,162,254	2,162,254
--------------------------------	------------------	------------------

TEST FOR DRUG AFFLICTED BABIES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	62,496	62,496
--------------------------------	---------------	---------------

The above appropriations for drug afflicted babies shall be used for the following purposes:

- (1) All newborn infants shall be tested for the presence of a controlled substance in the infant's meconium if they meet the criteria established by the state department of health. These criteria will, at a minimum, include all newborns, if at birth:
 - (A) the infant's weight is less than two thousand five hundred (2,500) grams;
 - (B) the infant's head is smaller than the third percentile for the infant's gestational age; and
 - (C) there is no medical explanation for the conditions described in clauses (A) and (B).
- (2) If a meconium test determines the presence of a controlled substance in the infant's meconium, the infant may be declared a child in need of services as provided in IC 31-34-1-10 through IC 31-34-1-13. However, the child's mother may not be prosecuted in connection with the results of the test.
- (3) The state department of health shall provide forms on which the results of a meconium test performed on an infant under subdivision (1) must be reported to the state department of health by physicians and hospitals.
- (4) The state department of health shall, at least semi-annually:
 - (A) ascertain the extent of testing under this chapter; and
 - (B) report its findings under subdivision (1) to:

- (i) all hospitals;
- (ii) physicians who specialize in obstetrics and gynecology or work with infants and young children; and
- (iii) any other group interested in child welfare that requests a copy of the report from the state department of health.
- (5) The state department of health shall designate at least one (1) laboratory to perform the meconium test required under subdivisions (1) through (8). The designated laboratories shall perform a meconium test on each infant described in subdivision (1) to detect the presence of a controlled substance.
- (6) Subdivisions (1) through (7) do not prevent other facilities from conducting tests on infants to detect the presence of a controlled substance.
- (7) Each hospital and physician shall:
 - (A) take or cause to be taken a meconium sample from every infant born under the hospital's and physician's care who meets the description under subdivision (1); and
 - (B) transport or cause to be transported each meconium sample described in clause (A) to a laboratory designated under subdivision (5) to test for the presence of a controlled substance as required under subdivisions (1) through (7).
- (8) The state department of health shall establish guidelines to carry out this program, including guidance to physicians, medical schools, and birthing centers as to the following:
 - (A) Proper and timely sample collection and transportation under subdivision (7) of this appropriation.
 - (B) Quality testing procedures at the laboratories designated under subdivision (5) of this appropriation.
 - (C) Uniform reporting procedures.
 - (D) Appropriate diagnosis and management of affected newborns and counseling and support programs for newborns' families.
- (9) A medically appropriate discharge of an infant may not be delayed due to the results of the test described in subdivision (1) or due to the pendency of the results of the test described in subdivision (1).

STATE CHRONIC DISEASES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Personal Services	49,014	49,014
Other Operating Expense	1,031,286	1,031,286

At least \$82,560 of the above appropriations shall be for grants to community groups and organizations as provided in IC 16-46-7-8.

WOMEN, INFANTS, AND CHILDREN SUPPLEMENT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	176,700	176,700
--------------------------------	----------------	----------------

MATERNAL AND CHILD HEALTH SUPPLEMENT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	176,700	176,700
--------------------------------	----------------	----------------

Notwithstanding IC 6-7-1-30.2, the above appropriations for the women, infants, and children supplement and maternal and child health supplement are the total appropriations

provided for this purpose.

CANCER EDUCATION AND DIAGNOSIS - BREAST CANCER

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	93,000	93,000
-------------------------	--------	--------

CANCER EDUCATION AND DIAGNOSIS - PROSTATE CANCER

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	93,000	93,000
-------------------------	--------	--------

ADOPTION HISTORY

Adoption History Fund (IC 31-19-18-6)

Total Operating Expense	190,796	190,796
-------------------------	---------	---------

Augmentation allowed.

CHILDREN WITH SPECIAL HEALTH CARE NEEDS

General Fund

Total Operating Expense	1,700,000	1,700,000
-------------------------	-----------	-----------

Children with Special Health Care Needs (IC 16-35-4-1)

Total Operating Expense	8,297,591	8,297,591
-------------------------	-----------	-----------

Augmentation allowed.

NEWBORN SCREENING PROGRAM

Newborn Screening Fund (IC 16-41-17-11)

Personal Services	357,071	357,071
-------------------	---------	---------

Other Operating Expense	1,003,887	1,003,887
-------------------------	-----------	-----------

Augmentation allowed.

RADON GAS TRUST FUND

Radon Gas Trust Fund (IC 16-41-38-8)

Total Operating Expense	12,700	12,700
-------------------------	--------	--------

Augmentation allowed.

BIRTH PROBLEMS REGISTRY

Birth Problems Registry Fund (IC 16-38-4-17)

Personal Services	58,292	58,292
-------------------	--------	--------

Other Operating Expense	30,012	30,012
-------------------------	--------	--------

Augmentation allowed.

MOTOR FUEL INSPECTION PROGRAM

Motor Fuel Inspection Fund (IC 16-44-3-10)

Total Operating Expense	127,701	127,701
-------------------------	---------	---------

Augmentation allowed.

PROJECT RESPECT

Total Operating Expense	554,540	554,540
-------------------------	---------	---------

DONATED DENTAL SERVICES

Total Operating Expense	42,932	42,932
-------------------------	--------	--------

The above appropriation shall be used by the Indiana foundation for dentistry for the handicapped.

OFFICE OF WOMEN'S HEALTH

Total Operating Expense	133,463	133,463
-------------------------	---------	---------

SOLDIERS' AND SAILORS' CHILDREN'S HOME

Personal Services	9,100,938	9,100,938
-------------------	-----------	-----------

Other Operating Expense	1,322,500	1,322,500
-------------------------	-----------	-----------

FARM REVENUE

Total Operating Expense	22,715	22,715
--------------------------------	---------------	---------------

INDIANA VETERANS' HOME

From the General Fund

13,917,781	13,399,178
-------------------	-------------------

From the Comfort-Welfare Fund (IC 10-17-9-7(c))

9,764,000	9,764,000
------------------	------------------

Augmentation allowed from the comfort-welfare fund in amounts not to exceed revenue collected for Medicaid and Medicare reimbursement.

The amounts specified from the General Fund and the Comfort-Welfare Fund are for the following purposes:

Personal Services	19,880,493	19,880,493
Other Operating Expense	3,801,288	3,282,685

COMFORT AND WELFARE PROGRAM

Comfort-Welfare Fund (IC 10-17-9-7(c))

Total Operating Expense	111,000	111,000
--------------------------------	----------------	----------------

Augmentation allowed.

WEIGHTS AND MEASURES FUND

Weights and Measures Fund (IC 16-19-5-4)

Total Operating Expense	25,300	25,300
--------------------------------	---------------	---------------

Augmentation allowed.

MINORITY EPIDEMIOLOGY

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	750,000	750,000
--------------------------------	----------------	----------------

COMMUNITY HEALTH CENTERS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	30,000,000	30,000,000
--------------------------------	-------------------	-------------------

Of the above appropriation for community health centers, \$30,000,000 may be used for capital projects in fiscal year 2007-2008 and fiscal year 2008-2009.

The office may not waive the prospective payment system for federally qualified health centers.

PRENATAL SUBSTANCE USE & PREVENTION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	150,000	150,000
--------------------------------	----------------	----------------

LOCAL HEALTH MAINTENANCE FUND

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	3,860,000	3,860,000
--------------------------------	------------------	------------------

Augmentation allowed.

The amount appropriated from the tobacco master settlement agreement fund is in lieu of the appropriation provided for this purpose in IC 6-7-1-30.5 or any other law. Of the above appropriations for the local health maintenance fund, \$60,000 each year shall be used to

provide additional funding to adjust funding through the formula in IC 16-46-10 to reflect population increases in various counties. Money appropriated to the local health maintenance fund must be allocated under the following schedule each year to each local board of health whose application for funding is approved by the state department of health:

COUNTY POPULATION	AMOUNT OF GRANT
over 499,999	94,112
100,000 - 499,999	72,672
50,000 - 99,999	48,859
under 50,000	33,139

LOCAL HEALTH DEPARTMENT ACCOUNT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	3,000,000	3,000,000
-------------------------	-----------	-----------

The foregoing appropriations for the local health department account are statutory distributions pursuant to IC 4-12-7.

FOR THE TOBACCO USE PREVENTION AND CESSATION BOARD

TOBACCO USE PREVENTION AND CESSATION PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	15,000,000	15,000,000
-------------------------	------------	------------

A minimum of 75% of the above appropriations shall be used for grants to local agencies and other entities with programs designed to reduce smoking.

FOR THE INDIANA SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED

Personal Services	10,746,019	10,746,019
Other Operating Expense	1,055,964	1,055,964

FOR THE INDIANA SCHOOL FOR THE DEAF

Personal Services	16,892,896	16,892,896
Other Operating Expense	1,959,367	1,959,367

C. VETERANS' AFFAIRS

FOR THE INDIANA DEPARTMENT OF VETERANS' AFFAIRS

Personal Services	527,049	527,049
Other Operating Expense	134,632	134,632

DISABLED AMERICAN VETERANS OF WORLD WARS

Total Operating Expense	40,000	40,000
-------------------------	--------	--------

AMERICAN VETERANS OF WORLD WAR II, KOREA, AND VIETNAM

Total Operating Expense	30,000	30,000
-------------------------	--------	--------

VETERANS OF FOREIGN WARS

Total Operating Expense	30,000	30,000
-------------------------	--------	--------

VIETNAM VETERANS OF AMERICA

Total Operating Expense		20,000
-------------------------	--	--------

MILITARY FAMILY RELIEF FUND

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	450,000	450,000	
2				
3	SECTION 9. [EFFECTIVE JULY 1, 2007]			
4				
5	EDUCATION			
6				
7	A. HIGHER EDUCATION			
8				
9	FOR INDIANA UNIVERSITY			
10	BLOOMINGTON CAMPUS			
11	Total Operating Expense	193,813,007	202,202,196	
12	Fee Replacement	24,822,802	26,118,321	
13				
14	FOR INDIANA UNIVERSITY REGIONAL CAMPUSES			
15	EAST			
16	Total Operating Expense	7,993,189	8,322,137	
17	Fee Replacement	2,038,168	2,001,956	
18	KOKOMO			
19	Total Operating Expense	10,357,262	10,817,455	
20	Fee Replacement	2,394,273	2,351,735	
21	NORTHWEST			
22	Total Operating Expense	17,811,296	18,061,296	
23	Fee Replacement	4,316,246	4,239,561	
24	SOUTH BEND			
25	Total Operating Expense	22,699,732	23,236,007	
26	Fee Replacement	5,967,558	7,220,812	
27	SOUTHEAST			
28	Total Operating Expense	19,892,774	20,848,802	
29	Fee Replacement	5,266,033	5,172,474	
30				
31	TOTAL APPROPRIATION - INDIANA UNIVERSITY REGIONAL CAMPUSES			
32	98,736,531 102,272,235			
33				
34	FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY			
35	AT INDIANAPOLIS (IUPUI)			
36	HEALTH DIVISIONS			
37	Total Operating Expense	107,493,576	112,236,327	
38	Fee Replacement	4,332,751	5,442,505	
39				
40	FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE ON			
41	THE CAMPUS OF THE UNIVERSITY OF SOUTHERN INDIANA			
42	Total Operating Expense	1,542,312	1,610,361	
43	THE CAMPUS OF INDIANA UNIVERSITY-PURDUE UNIVERSITY FORT WAYNE			
44	Total Operating Expense	1,418,830	1,481,430	
45	THE CAMPUS OF INDIANA UNIVERSITY-NORTHWEST			
46	Total Operating Expense	2,015,642	2,104,574	
47	THE CAMPUS OF PURDUE UNIVERSITY			
48	Total Operating Expense	1,799,244	1,878,629	
49	THE CAMPUS OF BALL STATE UNIVERSITY			

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	1,617,814	1,689,194	
2	THE CAMPUS OF THE UNIVERSITY OF NOTRE DAME			
3	Total Operating Expense	1,500,329	1,566,525	
4	THE CAMPUS OF INDIANA STATE UNIVERSITY			
5	Total Operating Expense	1,788,716	1,867,636	
6				
7	The Indiana University School of Medicine - Indianapolis shall submit to the Indiana			
8	commission for higher education before May 15 of each year an accountability report			
9	containing data on the number of medical school graduates who entered primary care			
10	physician residencies in Indiana from the school's most recent graduating class.			
11				
12	FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)			
13	GENERAL ACADEMIC DIVISIONS			
14	Total Operating Expense	79,980,030	83,311,562	
15	Fee Replacement	20,727,099	20,978,428	
16				
17	TOTAL APPROPRIATIONS - IUPUI			
18		224,216,343	234,167,171	
19				
20	Transfers of allocations between campuses to correct for errors in allocation among			
21	the campuses of Indiana University can be made by the institution with the approval			
22	of the commission for higher education and the budget agency. Indiana University			
23	shall maintain current operations at all statewide medical education sites.			
24				
25	FOR INDIANA UNIVERSITY			
26	ABILENE NETWORK OPERATIONS CENTER			
27	Total Operating Expense	842,027	867,288	
28	SPINAL CORD AND HEAD INJURY RESEARCH CENTER			
29	Total Operating Expense	530,168	546,073	
30	OPTOMETRY BOARD EDUCATION FUND			
31	Total Operating Expense	29,000	1,500	
32	STATE DEPARTMENT OF TOXICOLOGY			
33	Total Operating Expense	2,463,380	3,719,280	
34	INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES			
35	Total Operating Expense	2,505,502	2,580,667	
36	GEOLOGICAL SURVEY			
37	Total Operating Expense	3,137,382	3,231,504	
38	LOCAL GOVERNMENT ADVISORY COMMISSION			
39	Total Operating Expense	57,184	58,899	
40	REIMBURSEMENT OF SCHOLARSHIP COSTS			
41	Total Operating Expense	900,000	0	
42	INDIANA UNIVERSITY SCHOOL OF PUBLIC HEALTH			
43	Total Operating Expense			100,000
44				
45	FOR PURDUE UNIVERSITY			
46	WEST LAFAYETTE			
47	Total Operating Expense	249,929,962	262,033,737	
48	Fee Replacement	23,928,533	26,084,329	
49				

FOR PURDUE UNIVERSITY - REGIONAL CAMPUSES

CALUMET

Total Operating Expense	27,126,733	28,212,704
Fee Replacement	1,549,834	1,614,058

NORTH CENTRAL

Total Operating Expense	11,135,246	11,969,824
Fee Replacement	0	50,344

TOTAL APPROPRIATION - PURDUE UNIVERSITY REGIONAL CAMPUSES

39,811,813	41,846,930
------------	------------

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY

AT FORT WAYNE (IPFW)

Total Operating Expense	37,116,951	38,449,705
Fee Replacement	4,223,331	5,352,031

Transfers of allocations between campuses to correct for errors in allocation among the campuses of Purdue University can be made by the institution with the approval of the commission for higher education and the budget agency.

FOR PURDUE UNIVERSITY

ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM

Total Operating Expense	3,488,781	3,593,444
-------------------------	-----------	-----------

The above appropriations shall be used to fund the animal disease diagnostic laboratory system (ADDL), which consists of the main ADDL at West Lafayette, the bangs disease testing service at West Lafayette, and the southern branch of ADDL Southern Indiana Purdue Agricultural Center (SIPAC) in Dubois County. The above appropriations are in addition to any user charges that may be established and collected under IC 15-2.1-5-6. Notwithstanding IC 15-2.1-5-5, the trustees of Purdue University may approve reasonable charges for testing for pseudorabies.

STATEWIDE TECHNOLOGY

Total Operating Expense	5,733,029	6,702,020
-------------------------	-----------	-----------

COUNTY AGRICULTURAL EXTENSION EDUCATORS

Total Operating Expense	7,316,550	7,536,047
-------------------------	-----------	-----------

AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS

Total Operating Expense	7,320,956	7,540,584
-------------------------	-----------	-----------

CENTER FOR PARALYSIS RESEARCH

Total Operating Expense	528,477	544,331
-------------------------	---------	---------

UNIVERSITY-BASED BUSINESS ASSISTANCE

Total Operating Expense	1,133,737	1,967,749
-------------------------	-----------	-----------

FOR INDIANA STATE UNIVERSITY

Total Operating Expense	74,899,462	76,911,131
Fee Replacement	9,465,483	10,224,769
Nursing Program	250,000	250,000

FOR UNIVERSITY OF SOUTHERN INDIANA

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Total Operating Expense	37,675,499	40,387,429	
2	Fee Replacement	9,488,222	10,996,853	
3	HISTORIC NEW HARMONY			
4	Total Operating Expense	565,184	576,488	
5				
6	FOR BALL STATE UNIVERSITY			
7	Total Operating Expense	125,383,857	130,381,244	
8	Fee Replacement	12,408,664	14,064,079	
9	ENTREPRENEURIAL COLLEGE			
10	Total Operating Expense	1,000,000	1,000,000	
11	ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES			
12	Total Operating Expense	4,322,246	4,451,913	
13				
14	FOR VINCENNES UNIVERSITY			
15	Total Operating Expense	37,427,299	38,967,141	
16	Fee Replacement	5,364,551	6,700,593	
17				
18	FOR IVY TECH COMMUNITY COLLEGE			
19	Total Operating Expense	153,209,449	162,415,053	
20	Fee Replacement	20,738,001	27,967,850	
21				
22	Of the above appropriations for Ivy Tech Community College total operating expense,			
23	\$135,000 each year shall be used for the Community Learning Center in Portage.			
24				
25	VALPO NURSING PARTNERSHIP			
26	Total Operating Expense	101,622	104,671	
27	FT. WAYNE PUBLIC SAFETY TRAINING CENTER			
28	Total Operating Expense	1,000,000	1,000,000	
29				
30	FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM (IHETS)			
31	Total Operating Expense	4,827,208	4,972,024	
32				

The above appropriations do not include funds for the course development grant program.

The sums herein appropriated to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, Ivy Tech Community College, and the Indiana Higher Education Telecommunications System (IHETS) are in addition to all income of said institutions and IHETS, respectively, from all permanent fees and endowments and from all land grants, fees, earnings, and receipts, including gifts, grants, bequests, and devises, and receipts from any miscellaneous sales from whatever source derived.

All such income and all such fees, earnings, and receipts on hand June 30, 2007, and all such income and fees, earnings, and receipts accruing thereafter are hereby appropriated to the boards of trustees or directors of the aforementioned institutions and IHETS and may be expended for any necessary expenses of the respective institutions and IHETS, including university hospitals, schools of medicine, nurses' training schools, schools of dentistry, and agricultural extension and experimental stations. However, such income, fees, earnings, and receipts may be used for land and structures

only if approved by the governor and the budget agency.

The foregoing appropriations to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, Ivy Tech Community College, and IHETS include the employers' share of Social Security payments for university and IHETS employees under the public employees' retirement fund, or institutions covered by the Indiana state teachers' retirement fund. The funds appropriated also include funding for the employers' share of payments to the public employees' retirement fund and to the Indiana state teachers' retirement fund at a rate to be established by the retirement funds for both fiscal years for each institution and for IHETS employees covered by these retirement plans.

The treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College shall, at the end of each three (3) month period, prepare and file with the auditor of state a financial statement that shall show in total all revenues received from any source, together with a consolidated statement of disbursements for the same period. The budget director shall establish the requirements for the form and substance of the reports.

The reports of the treasurer also shall contain in such form and in such detail as the governor and the budget agency may specify, complete information concerning receipts from all sources, together with any contracts, agreements, or arrangements with any federal agency, private foundation, corporation, or other entity from which such receipts accrue.

All such treasurers' reports are matters of public record and shall include without limitation a record of the purposes of any and all gifts and trusts with the sole exception of the names of those donors who request to remain anonymous.

Notwithstanding IC 4-10-11, the auditor of state shall draw warrants to the treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College on the basis of vouchers stating the total amount claimed against each fund or account, or both, but not to exceed the legally made appropriations.

Notwithstanding IC 4-12-1-14, for universities and colleges supported in whole or in part by state funds, grant applications and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency. Each institution shall retain the applications for a reasonable period of time and submit a list of all grant applications, at least monthly, to the commission for higher education for informational purposes.

For all university special appropriations, an itemized list of intended expenditures, in such form as the governor and the budget agency may specify, shall be submitted to support the allotment request. All budget requests for university special appropriations shall be furnished in a like manner and as a part of the operating budgets of the state universities.

The trustees of Indiana University, the trustees of Purdue University, the trustees of Indiana State University, the trustees of University of Southern Indiana, the trustees of Ball State University, the trustees of Vincennes University, the trustees of Ivy Tech Community College, and the directors of IHETS are hereby authorized to accept federal grants, subject to IC 4-12-1.

Fee replacement funds are to be distributed as requested by each institution, on payment due dates, subject to available appropriations.

If an early payment of an amount appropriated to any of the aforementioned institutions or IHETS is made in either state fiscal year of the biennium to eliminate an otherwise authorized payment delay to a later state fiscal year, the amount may be used only for the purposes approved by the budget agency after review by the budget committee.

**FOR THE MEDICAL EDUCATION BOARD
FAMILY PRACTICE RESIDENCY FUND**

Total Operating Expense	2,294,787	2,340,683
--------------------------------	------------------	------------------

Of the foregoing appropriations for the medical education board-family practice residency fund, \$1,000,000 each year shall be used for grants for the purpose of improving family practice residency programs serving medically underserved areas.

FOR THE COMMISSION FOR HIGHER EDUCATION

Total Operating Expense	1,508,104	1,538,266
--------------------------------	------------------	------------------

STATEWIDE TRANSFER WEBSITE

Total Operating Expense	1,055,045	671,139
--------------------------------	------------------	----------------

INDIANA CAREER AND POSTSECONDARY ADVANCEMENT CENTER

Total Operating Expense	1	1
--------------------------------	----------	----------

FOR THE DEPARTMENT OF ADMINISTRATION

ANIMAL DISEASE DIAGNOSTIC LABORATORY LEASE RENTAL

Total Operating Expense	1,045,623	1,045,623
--------------------------------	------------------	------------------

ANIMAL DISEASE DIAGNOSTIC LABORATORY (BSL-3) LEASE RENTAL

Total Operating Expense	0	2,600,000
--------------------------------	----------	------------------

COLUMBUS LEARNING CENTER LEASE PAYMENT

Total Operating Expense	3,865,950	3,944,050
--------------------------------	------------------	------------------

FOR THE STATE BUDGET AGENCY

GIGAPOP PROJECT

Total Operating Expense	749,467	771,951
--------------------------------	----------------	----------------

SOUTH CENTRAL EDUCATION SERVICES

BEDFORD SERVICE AREA

Total Operating Expense	395,266	403,172
--------------------------------	----------------	----------------

SOUTHEAST INDIANA EDUCATION SERVICES

Total Operating Expense	695,226	709,130
--------------------------------	----------------	----------------

The above appropriation for southeast Indiana education services may be expended with the approval of the budget agency after review by the commission for higher education.

DEGREE LINK

Total Operating Expense	541,465	552,294
-------------------------	---------	---------

The above appropriations shall be used for the delivery of Indiana State University baccalaureate degree programs at Ivy Tech Community College and Vincennes University locations through Degree Link. Distributions shall be made upon the recommendation of the Indiana commission for higher education and with approval by the budget agency after review by the budget committee.

WORKFORCE CENTERS

Total Operating Expense	862,110	887,973
-------------------------	---------	---------

MIDWEST HIGHER EDUCATION COMMISSION

Total Operating Expense	90,000	95,000
-------------------------	--------	--------

FOR THE STATE STUDENT ASSISTANCE COMMISSION

Total Operating Expense	1,306,618	1,332,750
-------------------------	-----------	-----------

FREEDOM OF CHOICE GRANTS

Total Operating Expense	46,804,751	47,583,031
-------------------------	------------	------------

HIGHER EDUCATION AWARD PROGRAM

Total Operating Expense	135,017,565	139,515,254
-------------------------	-------------	-------------

NURSING SCHOLARSHIP PROGRAM

Total Operating Expense	410,185	418,389
-------------------------	---------	---------

HOOSIER SCHOLAR PROGRAM

Total Operating Expense	408,000	416,160
-------------------------	---------	---------

For the higher education awards and freedom of choice grants made for the 2007-2009 biennium, the following guidelines shall be used, notwithstanding current administrative rule or practice:

- (1) Financial Need: For purposes of these awards, financial need shall be limited to actual undergraduate tuition and fees for the prior academic year as established by the commission.
- (2) Maximum Base Award: The maximum award shall not exceed the lesser of:
 - (A) eighty percent (80%) of actual prior academic year undergraduate tuition and fees; or
 - (B) eighty percent (80%) of the sum of the highest prior academic year undergraduate tuition and fees at any public institution of higher education and the lowest appropriation per full-time equivalent (FTE) undergraduate student at any public institution of higher education.
- (3) Minimum Award: No actual award shall be less than \$200.
- (4) Award Size: A student's maximum award shall be reduced one (1) time:
 - (A) for dependent students, by the expected contribution from parents based upon information submitted on the financial aid application form; and
 - (B) for independent students, by the expected contribution derived from information submitted on the financial aid application form.

(5) Award Adjustment: The maximum base award may be adjusted by the commission, for any eligible recipient who fulfills college preparation requirements defined by the commission.

(6) Adjustment:

(A) If the dollar amounts of eligible awards exceed appropriations and program reserves, all awards may be adjusted by the commission by reducing the maximum award under subdivision (2)(A) or (2)(B).

(B) If appropriations and program reserves are sufficient and the maximum awards are not at the levels described in subdivision (2)(A) and (2)(B), all awards may be adjusted by the commission by proportionally increasing the awards to the maximum award under that subdivision so that parity between those maxima is maintained but not exceeded.

For the Hoosier scholar program for the 2007-2009 biennium, each award shall not exceed five hundred dollars (\$500) and shall be made available for one (1) year only. Receipt of this award shall not reduce any other award received under any state funded student assistance program.

STATUTORY FEE REMISSION

Total Operating Expense	20,304,707	20,557,932
-------------------------	------------	------------

PART-TIME STUDENT GRANT DISTRIBUTION

Total Operating Expense	5,355,000	5,462,100
-------------------------	-----------	-----------

Priority for awards made from the above appropriation shall be given first to eligible students meeting TANF income eligibility guidelines as determined by the family and social services administration and second to eligible students who received awards from the part-time grant fund during the school year associated with the biennial budget year. Funds remaining shall be distributed according to procedures established by the commission. The maximum grant that an applicant may receive for a particular academic term shall be established by the commission but shall in no case be greater than a grant for which an applicant would be eligible under IC 20-12-21 if the applicant were a full-time student. The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The family and social services administration, division of family resources, shall apply all qualifying expenditures for the part-time grant program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

CONTRACT FOR INSTRUCTIONAL OPPORTUNITIES IN SOUTHEASTERN INDIANA

Total Operating Expense	615,475	627,785
-------------------------	---------	---------

MINORITY TEACHER SCHOLARSHIP FUND

Total Operating Expense	407,763	415,919
-------------------------	---------	---------

COLLEGE WORK STUDY PROGRAM

Total Operating Expense	821,293	837,719
-------------------------	---------	---------

21ST CENTURY ADMINISTRATION

Total Operating Expense	2,061,420	2,102,648
-------------------------	-----------	-----------

21ST CENTURY SCHOLAR AWARDS

Total Operating Expense	24,810,428	26,519,274
--------------------------------	-------------------	-------------------

Augmentation for 21st Century Scholar Awards allowed from the general fund.

The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR 265.

Family and social services administration, division of family resources, shall apply all qualifying expenditures for the 21st century scholars program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.)

NATIONAL GUARD SCHOLARSHIP

Total Operating Expense	3,332,819	3,366,477
--------------------------------	------------------	------------------

The above appropriations for national guard scholarship and any program reserves existing on June 30, 2007, shall be the total allowable state expenditure for the program in the 2007-2009 biennium. If the dollar amounts of eligible awards exceed appropriations and program reserves, the state student assistance commission shall develop a plan to ensure that the total dollar amount does not exceed the above appropriations and any program reserves.

INSURANCE EDUCATION SCHOLARSHIPS

Insurance Education Scholarship Fund (IC 20-12-22.3)

Total Operating Expense	100,000	100,000
--------------------------------	----------------	----------------

Augmentation allowed.

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION

STATE BOARD OF EDUCATION

Total Operating Expense	3,152,112	3,152,112
--------------------------------	------------------	------------------

The foregoing appropriations for the Indiana state board of education are for the education roundtable established by IC 20-19-4; for the academic standards project to distribute copies of the academic standards and provide teachers with curriculum frameworks; for special evaluation and research projects including national and international assessments; and for state board and roundtable administrative expenses.

SUPERINTENDENT'S OFFICE

Personal Services	1,201,402	1,201,402
--------------------------	------------------	------------------

Other Operating Expense	1,473,322	1,473,322
--------------------------------	------------------	------------------

PUBLIC TELEVISION DISTRIBUTION

Total Operating Expense	3,500,000	3,500,000
--------------------------------	------------------	------------------

These appropriations are for grants for public television. The Indiana Public Broadcasting Stations, Inc. shall submit a distribution plan for the eight Indiana public education

1 television stations that shall be approved by the budget agency after review by the budget
2 committee. The above appropriation includes the costs of transmission for the "GED-on-TV"
3 program. Of the above appropriations, \$500,000 each year shall be distributed equally
4 among the eight radio stations.

5
6 **RESEARCH AND DEVELOPMENT PROGRAMS**

7	Personal Services	86,958	86,959
8	Other Operating Expense	300,390	300,390

9
10 Of the foregoing appropriations for Research and Development Programs, up to \$140,000
11 each year is dedicated for the Center for Evaluation and Education Policy.
12

13 **RILEY HOSPITAL**

14	Total Operating Expense	27,900	27,900
----	-------------------------	--------	--------

15 **BEST BUDDIES**

16	Total Operating Expense	250,000	250,000
----	-------------------------	---------	---------

17 **ADMINISTRATION AND FINANCIAL MANAGEMENT**

18	Personal Services	2,143,064	2,144,538
19	Other Operating Expense	420,270	418,834

20 **MOTORCYCLE OPERATOR SAFETY EDUCATION FUND**

21 **Safety Education Fund (IC 20-30-13-11)**

22	Personal Services	132,303	132,397
23	Other Operating Expense	892,177	892,087

24
25 The foregoing appropriations for the motorcycle operator safety education fund are
26 from the motorcycle operator safety education fund created by IC 20-30-13-11.
27

28 **SCHOOL TRAFFIC SAFETY**

29 **Motor Vehicle Highway Account (IC 8-14-1)**

30	Personal Services	242,813	242,989
31	Other Operating Expense	30,405	30,236

32 **Augmentation allowed.**

33 **EDUCATION LICENSE PLATE FEES**

34 **Education License Plate Fees Fund (IC 9-18-31)**

35	Total Operating Expense	141,200	141,200
----	-------------------------	---------	---------

36 **CENTER FOR SCHOOL ASSESSMENT**

37	Personal Services	310,777	311,004
38	Other Operating Expense	706,025	705,800

39 **ACCREDITATION SYSTEM**

40	Personal Services	471,390	471,732
41	Other Operating Expense	489,547	489,210

42 **SPECIAL EDUCATION (S-5)**

43	Total Operating Expense	24,750,000	24,750,000
----	-------------------------	------------	------------

44
45 The foregoing appropriations for special education are made under IC 20-35-6-2.
46

47 **CENTER FOR COMMUNITY RELATIONS AND SPECIAL POPULATIONS**

48	Personal Services	234,467	234,580
49	Other Operating Expense	78,988	78,879

SPECIAL EDUCATION EXCISE

Alcoholic Beverage Excise Tax Funds (IC 20-35-4-4)

Personal Services	344,177	344,351
--------------------------	----------------	----------------

Augmentation allowed.

GED-ON-TV PROGRAM

Other Operating Expense	229,500	229,500
--------------------------------	----------------	----------------

The foregoing appropriation is for grants to provide GED-ON-TV programming. The GED-ON-TV Program shall submit for review by the budget committee an annual report on utilization of this appropriation.

CAREER AND TECHNICAL EDUCATION

Personal Services	1,318,379	1,319,338
--------------------------	------------------	------------------

Other Operating Expense	40,532	39,599
--------------------------------	---------------	---------------

ADVANCED PLACEMENT PROGRAM

Other Operating Expense	953,284	953,284
--------------------------------	----------------	----------------

The above appropriations for the Advanced Placement program are to provide funding for students of accredited public and nonpublic schools.

PSAT PROGRAM

Other Operating Expense	717,449	717,449
--------------------------------	----------------	----------------

The above appropriations for the PSAT program are to provide funding for students of accredited public and nonpublic schools.

CENTER FOR SCHOOL IMPROVEMENT AND PERFORMANCE

Personal Services	1,701,420	1,701,447
--------------------------	------------------	------------------

Other Operating Expense	978,089	978,089
--------------------------------	----------------	----------------

PRINCIPAL LEADERSHIP ACADEMY

Personal Services	320,628	320,632
--------------------------	----------------	----------------

Other Operating Expense	142,204	142,204
--------------------------------	----------------	----------------

EDUCATION SERVICE CENTERS

Total Operating Expense	2,321,287	2,321,287
--------------------------------	------------------	------------------

No appropriation made for an education service center shall be distributed to the administering school corporation of the center unless each participating school corporation of the center contracts to pay to the center at least three dollars (\$3) per student for fiscal year 2007-2008 based on the school corporation's ADM count as reported for school aid distribution in the fall of 2006, and at least three dollars (\$3) per student for fiscal year 2008-2009, based on the school corporation's ADM count as reported for school aid distribution beginning in the fall of 2007. Before notification of education service centers of the formula and components of the formula for distributing funds for education service centers, review and approval of the formula and components must be made by the budget agency.

TRANSFER TUITION (STATE EMPLOYEES' CHILDREN AND ELIGIBLE CHILDREN IN MENTAL HEALTH FACILITIES)

Total Operating Expense	50,000	50,000
--------------------------------	---------------	---------------

The foregoing appropriations for transfer tuition (state employees' children and eligible children in mental health facilities) are made under IC 20-26-11-10 and IC 20-26-11-8.

TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION

Total Operating Expense	2,403,792	2,403,792
--------------------------------	------------------	------------------

The foregoing appropriations shall be distributed by the department of education on a monthly basis and in approximately equal payments to special education cooperatives, area career and technical education schools, and other governmental entities that received state teachers' Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1, 1992, and ending June 30, 1993, and for the units under the Indiana state teacher's retirement fund, the amount they received during the 2002-2003 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriation, the department of education shall reduce each entity's distribution proportionately.

DISTRIBUTION FOR TUITION SUPPORT

General Fund

Total Operating Expense	2,167,287,741	2,244,062,741
--------------------------------	----------------------	----------------------

Property Tax Replacement Fund (IC 6-1.1-21)

Total Operating Expense	1,719,412,259	1,796,187,259
--------------------------------	----------------------	----------------------

The foregoing appropriations for distribution for tuition support are to be distributed for tuition support, special education programs, career and technical education programs, honors grants, and the primetime program in accordance with a statute enacted for this purpose during the 2007 session of the general assembly.

If the above appropriations for distribution for tuition support are more than are required under this SECTION, any excess shall revert to the general fund.

The above appropriations for tuition support shall be made each calendar year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the payments in each calendar year shall equal the amount required under the statute enacted for the purpose referred to above.

ADDITIONAL TUITION SUPPORT DISTRIBUTION

Total Operating Expense	2,000,000	2,000,000
--------------------------------	------------------	------------------

The definitions in IC 20-43-1 apply to the above appropriations. IC 20-43-2-2 does not apply to the above appropriations.

The department shall make an additional distribution not later than January 2008 to each school corporation that has a current ADM for 2008 that is at least one hundred fifty (150) students more than the school corporation's current ADM for 2007. The

amount of the distribution is equal to the amount of the above appropriation available for distribution in the calendar year, as determined by the budget agency, multiplied by a fraction. The numerator of the fraction is the number of students by which current ADM increased for 2008 for the school corporation. The denominator of the fraction is the sum of the number of students by which current ADM increased for 2008 for all school corporations that had an increase of at least one hundred fifty (150) students.

The department shall make an additional distribution to each school corporation before January 2009 that has a current ADM for 2009 that is at least one hundred fifty (150) students more than the school corporation's current ADM for 2008. The amount of the distribution is equal to the amount of the above appropriation available for distribution in the calendar year multiplied by a fraction. The numerator of the fraction is the number of students by which current ADM increased for 2009 for the school corporation. The denominator of the fraction is the sum of the number of students by which current ADM increased for 2009 for all school corporations that had an increase of at least one hundred fifty (150) students.

Virtual charter school" means any entity that provides for the delivery of more than fifty percent (50%) of instruction to students through virtual distance learning, online technologies, or computer based instruction. A virtual charter school is not entitled to any funding from the state of Indiana during the biennium and is not entitled to a distribution of property taxes. This paragraph expires June 30, 2009.

DISTRIBUTION FOR SUMMER SCHOOL

Other Operating Expense	18,360,000	18,360,000
--------------------------------	-------------------	-------------------

It is the intent of the 2007 general assembly that the above appropriations for summer school shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

EARLY INTERVENTION PROGRAM AND READING DIAGNOSTIC ASSESSMENT

Total Operating Expense	4,720,000	4,720,000
--------------------------------	------------------	------------------

The above appropriations for the early intervention program are for grants to local school corporations for grant proposals for early intervention programs, including reading recovery and the Waterford method.

The foregoing appropriations shall be used by the department for the reading diagnostic assessment and subsequent remedial programs or activities. The reading diagnostic assessment program, as approved by the board, is to be made available on a voluntary basis to all Indiana public and nonpublic school first and second grade students upon the approval of the governing body of school corporations. The board shall determine how the funds will be distributed for the assessment and related remediation. The department or its representative shall provide progress reports on the assessment as requested by the board and the education roundtable.

ADULT EDUCATION DISTRIBUTION

Total Operating Expense	14,000,000	14,000,000
--------------------------------	-------------------	-------------------

It is the intent of the 2007 general assembly that the above appropriations for adult education shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of education shall reduce the distributions proportionately.

NATIONAL SCHOOL LUNCH PROGRAM

Total Operating Expense	5,400,000	5,400,000
--------------------------------	------------------	------------------

MARION COUNTY DESEGREGATION COURT ORDER

Total Operating Expense	18,200,000	18,200,000
--------------------------------	-------------------	-------------------

The foregoing appropriations for court ordered desegregation costs are made pursuant to order No. IP 68-C-225-S of the United States District Court for the Southern District of Indiana. If the sums herein appropriated are insufficient to enable the state to meet its obligations, then there are hereby appropriated from the state general fund such further sums as may be necessary for such purpose.

TEXTBOOK REIMBURSEMENT

Total Operating Expense	39,000,000	39,000,000
--------------------------------	-------------------	-------------------

Before a school corporation or an accredited nonpublic school may receive a distribution under the textbook reimbursement program, the school corporation or accredited nonpublic school shall provide to the department the requirements established in IC 20-33-5-2. The department shall provide to the family and social services administration (FSSA) all data required for FSSA to meet the data collection reporting requirement in 45 CFR 265. Family and social services administration, division of family resources, shall apply all qualifying expenditures for the textbook reimbursement program toward Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families (TANF) program (45 CFR 260 et seq.).

The foregoing appropriations for textbook reimbursement include the appropriation of the common school fund interest balance. The remainder of the above appropriations are provided from the state general fund.

FULL-DAY KINDERGARTEN

Total Operating Expense	33,500,000	58,500,000
--------------------------------	-------------------	-------------------

The above appropriations for full day kindergarten are available to school corporations and charter schools that apply to the department of education for funding of full day kindergarten. The amount available to a school corporation or charter school equals the amount appropriated divided by the total full day kindergarten enrollment of all participating school corporations and charter schools (as defined in IC 21-3-1.6-1.1) for the current year, and then multiplied by the school corporation's or charter school's full day kindergarten enrollment (as defined in IC 21-3-1.6-1.1) for the current year. However, a school corporation or charter school may not receive more than \$2,500 dollars per student for full day kindergarten. A school corporation or charter school that is awarded a grant must provide to the department of education

1 a financial report stating how the funds were spent. Any unspent funds at the end
2 of the biennium must be returned to the state by the school corporation or charter
3 school.

4
5 To provide full day kindergarten programs, a school corporation or charter school
6 that determines there is inadequate space to offer a program in the school corporation's
7 or charter school's existing facilities may offer the program in any suitable space
8 located within the geographic boundaries of the school corporation or, in the case
9 of a charter school, a location that is in the general vicinity of the charter school's
10 existing facilities. A full day kindergarten program offered by a school corporation
11 or charter school must meet the academic standards and other requirements of IC 20.

12
13 A school corporation or charter school that receives a grant must meet the academic standards
14 and other requirements of IC 20.

15
16 In awarding grants from the above appropriations, the department of education may
17 not refuse to make a grant to a school corporation or reduce the award that would
18 otherwise be made to the school corporation because the school corporation used federal
19 grants or loans, including Title I grants, to fund part or all of the school corporation's
20 full day kindergarten program in a school year before the school year in which the
21 grant will be given or because the school corporation intends to use federal grants
22 or loans, including Title I grants, to fund part of the school corporation's full
23 day kindergarten program in a school year in which the grant will be given.

24
25 The state board and department shall provide support to school corporations and charter
26 schools in the development and implementation of child centered and learning focused
27 programs using the following methods:

28 (1) Targeting professional development funds to provide teachers in kindergarten
29 through grade 3 education in:

- 30 (A) scientifically proven methods of teaching reading;
- 31 (B) the use of data to guide instruction; and
- 32 (C) the use of age appropriate literacy and mathematics assessments.

33 (2) Making uniform, predictively valid, observational assessments that:

- 34 (A) provide frequent information concerning the student's progress to the student's
35 teacher; and

- 36 (B) measure the student's progress in literacy;

37 available to teachers in kindergarten through grade 3. Teachers shall monitor students
38 participating in a program, and the school corporation or charter school shall report
39 the results of the assessments to the parents of a child completing an assessment
40 and to the department.

41 (3) Undertaking a longitudinal study of students in programs in Indiana to determine
42 the achievement levels of the students in kindergarten and later grades.

43
44 The above appropriations for full day kindergarten include \$25,000 dollars in fiscal
45 year 2008 for the state board and department to contract with national experts on
46 academic standards to conduct a review of current kindergarten standards to ensure
47 the standards:

- 48 (1) are adequate for full day kindergarten programs;
- 49 (2) align with state standards through grade 3; and

(3) ensure success in subsequent grades.
The school corporation or charter school may use any funds otherwise allowable under state and federal law, including the school corporation's general fund, any funds available to the charter school, or voluntary parent fees, to provide full day kindergarten programs.

TESTING AND REMEDIATION

Other Operating Expense	41,000,000	41,000,000
-------------------------	------------	------------

Prior to notification of local school corporations of the formula and components of the formula for distributing funds for remediation, review and approval of the formula and components shall be made by the budget agency.

The above appropriation for testing and remediation shall be used by school corporations to provide remediation programs for students who attend public and nonpublic schools. For purposes of tuition support, these students are not to be counted in the average daily membership.

GRADUATION EXAM REMEDIATION

Other Operating Expense	4,958,910	4,958,910
-------------------------	-----------	-----------

Prior to notification of local school corporations of the formula and components of the formula for distributing funds for graduation exam remediation, review and approval of the formula and components shall be made by the budget agency.

SPECIAL EDUCATION PRESCHOOL

Total Operating Expense	32,400,000	32,400,000
-------------------------	------------	------------

The above appropriations shall be distributed to guarantee a minimum of \$2,750 per child enrolled in special education preschool programs from state and local sources in school corporations that levy the maximum special education tax rate for this purpose. It is the intent of the 2007 general assembly that the above appropriations for special education preschool shall be the total allowable expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

NON-ENGLISH SPEAKING PROGRAM

Other Operating Expense	6,929,246	6,965,055
-------------------------	-----------	-----------

The above appropriations for the non-English speaking program are for pupils who have a primary language other than English and limited English proficiency, as determined by using a standard proficiency examination that has been approved by the department of education.

The grant amount is two hundred dollars (\$200) per pupil. It is the intent of the 2007 general assembly that the above appropriations for the non-English speaking program shall be the total allowable state expenditure for the program. If the expected distributions are anticipated to exceed the total appropriations for the state fiscal

year, the department of education shall reduce each school corporation's distribution proportionately.

GIFTED AND TALENTED EDUCATION PROGRAM

Personal Services	211,199	211,348
Other Operating Expense	12,788,801	12,788,652

DISTRIBUTION FOR ADULT VOCATIONAL EDUCATION

Total Operating Expense	250,000	250,000
-------------------------	---------	---------

The distribution for adult career and technical education programs shall be made in accordance with the state plan for vocational education.

PRIMETIME

Personal Services	172,564	172,566
Other Operating Expense	34,467	34,467

DRUG FREE SCHOOLS

Personal Services	52,360	52,361
Other Operating Expense	20,093	20,093

PROFESSIONAL DEVELOPMENT DISTRIBUTION

Other Operating Expense	13,812,500	13,812,500
-------------------------	------------	------------

The foregoing appropriations for professional development distributions include schools defined under IC 20-31-2-8.

ALTERNATIVE SCHOOLS

Total Operating Expense	6,380,059	6,380,319
-------------------------	-----------	-----------

**EDUCATIONAL TECHNOLOGY PROGRAM AND FUND
(INCLUDING 4R'S TECHNOLOGY GRANT PROGRAM)**

Total Operating Expense	2,109,031	2,109,036
-------------------------	-----------	-----------

Of the foregoing appropriations, \$825,000 shall be allocated to the buddy system each state fiscal year during the biennium. The remaining amounts shall be allocated for technology programs and resources for kindergarten through twelfth grade, and the operation of the office of the special assistant to the superintendent of public instruction for technology.

TECHNOLOGY PLAN GRANT PROGRAM (IC 20-20-13)

Total Operating Expense	5,000,000
-------------------------	-----------

Notwithstanding IC 20-20-13-17, the department of education may adjust the grant amount to reflect available funding.

PROFESSIONAL STANDARDS DIVISION

General Fund

Personal Services	1,053,602	1,054,199
Other Operating Expense	262,900	1,762,303

Professional Standards Board Licensing Fund

	<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1 Total Operating Expense	1,500,000	1,500,000	
2 Augmentation allowed.			
3			
4 The above appropriations for the Professional Standards Division do not include funds			
5 to pay stipends for mentor teachers.			
6			
7 SCHOOL CORPORATION CONSOLIDATION STUDIES			
8 Total Operating Expense	100,000	100,000	
9			
10 A school corporation which desires to study the feasibility of consolidating or merging			
11 services with another corporation may apply to the department for a grant not exceeding			
12 \$25,000 to offset the costs of the study.			
13			
14 SCHOOL BUSINESS OFFICIALS ACADEMY			
15 Total Operating Expense	150,000	150,000	
16			
17 The department shall make the foregoing appropriations available to the Indiana			
18 Association of School Business Officials to assist in the creation of an academy			
19 designed to strengthen the management and leadership skills of practicing Indiana			
20 school business officials.			
21			
22 FOR THE INDIANA STATE TEACHERS' RETIREMENT FUND			
23 POSTRETIREMENT PENSION INCREASES			
24 Other Operating Expense	52,784,909	55,952,004	
25			
26 The appropriations for postretirement pension increases are made for those benefits			
27 and adjustments provided in IC 5-10.4 and IC 5-10.2-5.			
28			
29 TEACHERS' RETIREMENT FUND DISTRIBUTION			
30 Other Operating Expense	568,372,000	602,474,320	
31 Augmentation allowed.			
32			
33 If the amount actually required under the pre-1996 account of the teachers' retirement			
34 fund for actual benefits for the Post Retirement Pension Increases that are funded			
35 on a "pay as you go" basis plus the base benefits under the pre-1996 account of the			
36 teachers' retirement fund is:			
37 (1) greater than the above appropriations for a year, after notice to the			
38 governor and the budget agency of the deficiency, the above appropriation for			
39 the year shall be augmented from the general fund. Any augmentation shall			
40 be included in the required pension stabilization calculation under IC 5-10.4; or			
41 (2) less than the above appropriations for a year, the excess shall be retained			
42 in the general fund. The portion of the benefit funded by the annuity account			
43 and the actuarially funded Post Retirement Pension Increases shall not be part			
44 of this calculation.			
45			
46 C. OTHER EDUCATION			
47			
48 FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD			
49 Personal Services	617,646	617,646	

		<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Other Operating Expense	68,940	68,940	
2	PUBLIC EMPLOYEE RELATIONS BOARD			
3	Total Operating Expense	32,550	32,550	
4				
5	FOR THE STATE LIBRARY			
6	Personal Services	3,058,971	3,058,971	
7	Other Operating Expense	727,967	697,917	
8	STATEWIDE LIBRARY SERVICES			
9	Total Operating Expense	1,996,228	1,996,228	
10				
11	The foregoing appropriations for statewide library services will be used to provide services			
12	to libraries across the state. These services may include, but will not be limited to, programs			
13	including Wheels, I*Ask, and professional development. The state library shall identify			
14	statewide library services that are to be provided by a vendor. Those services identified			
15	by the library shall be procured through a competitive process using one or more requests			
16	for proposals covering the service.			
17				
18	LIBRARY SERVICES FOR THE BLIND - ELECTRONIC NEWSLINES			
19	Other Operating Expense	40,000	40,000	
20	ACADEMY OF SCIENCE			
21	Total Operating Expense	8,811	8,811	
22				
23	FOR THE ARTS COMMISSION			
24	Personal Services	406,217	406,217	
25	Other Operating Expense	3,596,742	3,596,742	
26				
27	The foregoing appropriation to the arts commission includes \$625,000 each year to			
28	provide grants under IC 4-23-2.5 to:			
29	(1) the arts organizations that have most recently qualified for general operating			
30	support as major arts organizations as determined by the arts commission;			
31	and			
32	(2) the significant regional organizations that have most recently qualified for			
33	general operating support as mid-major arts organizations, as determined by the			
34	arts commission and its regional re-granting partners.			
35				
36	FOR THE HISTORICAL BUREAU			
37	Personal Services	392,583	392,583	
38	Other Operating Expense	6,875	6,875	
39	HISTORICAL MARKER PROGRAM			
40	Total Operating Expense			31,898
41				
42	FOR THE COMMISSION ON PROPRIETARY EDUCATION			
43	Personal Services	447,806	448,129	
44	Other Operating Expense	6,865	6,865	
45				
46	SECTION 10. [EFFECTIVE JULY 1, 2007]			
47				
48	DISTRIBUTIONS			
49				

FOR THE PROPERTY TAX REPLACEMENT FUND BOARD

Property Tax Replacement Fund (IC 6-1.1-21)

Total Operating Expense	2,142,477,622	2,133,991,675
--------------------------------	----------------------	----------------------

Notwithstanding IC 6-1.1-21, the foregoing appropriations are the maximum amount that may be distributed.

Not more than \$2,028,509,197 shall be distributed as property tax replacement credits and homestead credits for calendar year 2008 from the above appropriations. The distribution from the above appropriations for property tax replacement credits and homestead credits for 2009 may not, when added to any amount distributed after June 30, 2009, exceed \$2,028,509,197.

If the amount determined under IC 6-1.1-21 exceeds the amount to be distributed in the calendar year from the above appropriations, the board shall reduce the property tax replacement credit percentages proportionately so that the distributions equal the amount to be distributed.

Upon the recommendation of the budget agency, the property tax replacement fund board established by IC 6-1.1-21-10 may increase or decrease the distribution percentage specified in IC 6-1.1-21-10 for May in order to distribute the appropriation. If the property tax replacement fund board increases or decreases the May distribution percentage for property tax replacement credits and homestead credits, it must increase or reduce the percentage used in determining the next distribution such that the sum of the calendar year percentages equals one hundred percent (100.00%).

PROPERTY TAX REFUNDS

Property Tax Reduction Trust Fund (IC 4-35-8-2)

Total Operating Expense	300,000,000	0
--------------------------------	--------------------	----------

The above appropriation is for state paid refunds of payments of property tax liability (as defined in IC 6-1.1-21-5) imposed on property eligible for a homestead credit under IC 6-1.1-20.9 in 2007.

If the amount distributed to a county from the above appropriation exceeds the amount needed to pay the property tax refunds payable from the above appropriation, the county treasurer shall transfer the excess to the auditor of state for deposit in the property tax reduction trust fund. The transfer shall be made as part of the December settlement under IC 6-1.1-21. The amount returned to the auditor of state shall be used to increase the following appropriation for additional homestead credits in calendar year 2008.

ADDITIONAL HOMESTEAD CREDIT

Property Tax Reduction Trust Fund (IC 4-35-8-2)

Total Operating Expense	112,000,000	138,000,000
--------------------------------	--------------------	--------------------

The above appropriations are for additional homestead credits for property taxes paid in 2008.

The above appropriations are to reimburse local taxing units for the revenue lost from the granting of an additional credit against property tax liability (as defined in IC 6-1.1-21-5) imposed on property eligible for a homestead credit under IC 6-1.1-20.9 for 2008.

SECTION 11. [EFFECTIVE JULY 1, 2007]

The following allocations of federal funds are available for vocational and technical education under the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301, et seq. for Vocational and Technical Education) (20 U.S.C. 2371 for Tech Prep Education). These funds shall be received by the department of workforce development, commission on vocational and technical education, and shall be allocated by the budget agency after consultation with the commission on vocational and technical education, the department of education, the commission for higher education, and the department of correction. Funds shall be allocated to these agencies in accordance with the allocations specified below:

STATE PROGRAMS AND LEADERSHIP

2,655,188	2,655,188
-----------	-----------

SECONDARY VOCATIONAL PROGRAMS

14,878,845	14,878,845
------------	------------

POSTSECONDARY VOCATIONAL PROGRAMS

8,522,925	8,522,925
-----------	-----------

TECHNOLOGY - PREPARATION EDUCATION

2,465,494	2,465,494
-----------	-----------

SECTION 12. [EFFECTIVE JULY 1, 2007]

In accordance with IC 22-4.1-13, the budget agency, with the advice of the commission on vocational and technical education and the budget committee, may augment or reduce an allocation of federal funds made under SECTION 11 of this act.

SECTION 13. [EFFECTIVE JULY 1, 2007]

Utility bills for the month of June, travel claims covering the period June 16 to June 30, payroll for the period of the last half of June, any interdepartmental bills for supplies or services for the month of June, and any other miscellaneous expenses incurred during the period June 16 to June 30 shall be charged to the appropriation for the succeeding year. No interdepartmental bill shall be recorded as a refund of expenditure to any current year allotment account for supplies or services rendered or delivered at any time during the preceding June period.

SECTION 14. [EFFECTIVE JULY 1, 2007]

The budget agency, under IC 4-10-11, IC 4-12-1-13, and IC 4-13-1, in cooperation with the Indiana department of administration, may fix the amount of reimbursement for traveling expenses (other than transportation) for travel within the limits of Indiana. This amount may not exceed actual lodging and miscellaneous expenses incurred. A person in travel status, as defined by the state travel policies and procedures

established by the Indiana department of administration and the budget agency, is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service.

All appropriations provided by this act or any other statute, for traveling and hotel expenses for any department, officer, agent, employee, person, trustee, or commissioner, are to be used only for travel within the state of Indiana, unless those expenses are incurred in traveling outside the state of Indiana on trips that previously have received approval as required by the state travel policies and procedures established by the Indiana department of administration and the budget agency. With the required approval, a reimbursement for out-of-state travel expenses may be granted in an amount not to exceed actual lodging and miscellaneous expenses incurred. A person in travel status is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service for properly approved travel within the continental United States and a minimum of \$50 during any twenty-four (24) hour period for properly approved travel outside the continental United States. However, while traveling in Japan, the minimum meal allowance shall not be less than \$90 for any twenty-four (24) hour period. While traveling in Korea and Taiwan, the minimum meal allowance shall not be less than \$85 for any twenty-four (24) hour period. While traveling in Singapore, China, Great Britain, Germany, the Netherlands, and France, the minimum meal allowance shall not be less than \$65 for any twenty-four (24) hour period.

In the case of the state supported institutions of postsecondary education, approval for out-of-state travel may be given by the chief executive officer of the institution, or the chief executive officer's authorized designee, for the chief executive officer's respective personnel.

Before reimbursing overnight travel expenses, the auditor of state shall require documentation as prescribed in the state travel policies and procedures established by the Indiana department of administration and the budget agency. No appropriation from any fund may be construed as authorizing the payment of any sum in excess of the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service when used in the discharge of state business. The Indiana department of administration and the budget agency may adopt policies and procedures relative to the reimbursement of travel and moving expenses of new state employees and the reimbursement of travel expenses of prospective employees who are invited to interview with the state.

SECTION 15. [EFFECTIVE JULY 1, 2007]

Notwithstanding IC 4-10-11-2.1, the salary per diem of members of boards, commissions, and councils who are entitled to a salary per diem is \$50 per day. However, members of boards, commissions, or councils who receive an annual or a monthly salary paid by the state are not entitled to the salary per diem provided in IC 4-10-11-2.1.

SECTION 16. [EFFECTIVE JULY 1, 2007]

No payment for personal services shall be made by the auditor of state unless the

1 payment has been approved by the budget agency or the designee of the budget agency.

2
3 **SECTION 17. [EFFECTIVE JULY 1, 2007]**

4
5 No warrant for operating expenses, capital outlay, or fixed charges shall be issued
6 to any department or an institution unless the receipts of the department or institution
7 have been deposited into the state treasury for the month. However, if a department
8 or an institution has more than \$10,000 in daily receipts, the receipts shall be
9 deposited into the state treasury daily.

10
11 **SECTION 18. [EFFECTIVE JULY 1, 2007]**

12
13 In case of loss by fire or any other cause involving any state institution or department,
14 the proceeds derived from the settlement of any claim for the loss shall be deposited
15 in the state treasury, and the amount deposited is hereby reappropriated to the institution
16 or department for the purpose of replacing the loss. If it is determined that the
17 loss shall not be replaced, any funds received from the settlement of a claim shall
18 be deposited into the general fund.

19
20 **SECTION 19. [EFFECTIVE JULY 1, 2007]**

21
22 If an agency has computer equipment in excess of the needs of that agency, then the
23 excess computer equipment may be sold under the provisions of surplus property sales,
24 and the proceeds of the sale or sales shall be deposited in the state treasury. The
25 amount so deposited is hereby reappropriated to that agency for other operating expenses
26 of the then current year, if approved by the director of the budget agency.

27
28 **SECTION 20. [EFFECTIVE JULY 1, 2007]**

29
30 If any state penal or benevolent institution other than the Indiana state prison,
31 Pendleton correctional facility, or Putnamville correctional facility shall, in the
32 operation of its farms, produce products or commodities in excess of the needs of
33 the institution, the surplus may be sold through the division of industries and farms,
34 the director of the supply division of the Indiana department of administration,
35 or both. The proceeds of any such sale or sales shall be deposited in the state treasury.
36 The amount deposited is hereby reappropriated to the institution for expenses of
37 the then current year if approved by the director of the budget agency. The exchange
38 between state penal and benevolent institutions of livestock for breeding purposes
39 only is hereby authorized at valuations agreed upon between the superintendents or
40 wardens of the institutions. Capital outlay expenditures may be made from the institutional
41 industries and farms revolving fund if approved by the budget agency and the governor.

42
43 **SECTION 21. [EFFECTIVE JULY 1, 2007]**

44
45 This act does not authorize any rehabilitation and repairs to any state buildings,
46 nor does it allow that any obligations be incurred for lands and structures, without
47 the prior approval of the budget director or the director's designee. This SECTION
48 does not apply to contracts for the state universities supported in whole or in part
49 by state funds.

1
2 **SECTION 22. [EFFECTIVE JULY 1, 2007]**
3

4 If an agency has an annual appropriation fixed by law, and if the agency also receives
5 an appropriation in this act for the same function or program, the appropriation
6 in this act supersedes any other appropriations and is the total appropriation for
7 the agency for that program or function.
8

9 **SECTION 23. [EFFECTIVE JULY 1, 2007]**
10

11 The balance of any appropriation or funds heretofore placed or remaining to the credit
12 of any division of the state of Indiana, and any appropriation or funds provided
13 in this act placed to the credit of any division of the state of Indiana, the powers,
14 duties, and functions whereof are assigned and transferred to any department for
15 salaries, maintenance, operation, construction, or other expenses in the exercise
16 of such powers, duties, and functions, shall be transferred to the credit of the
17 department to which such assignment and transfer is made, and the same shall be available
18 for the objects and purposes for which appropriated originally.
19

20 **SECTION 24. [EFFECTIVE JULY 1, 2007]**
21

22 The director of the division of procurement of the Indiana department of administration,
23 or any other person or agency authorized to make purchases of equipment, shall not
24 honor any requisition for the purchase of an automobile that is to be paid for from
25 any appropriation made by this act or any other act, unless the following facts are
26 shown to the satisfaction of the commissioner of the Indiana department of administration
27 or the commissioner's designee:

28 (1) In the case of an elected state officer, it shall be shown that the duties of
29 the office require driving about the state of Indiana in the performance of official
30 duty.

31 (2) In the case of department or commission heads, it shall be shown that the statutory
32 duties imposed in the discharge of the office require traveling a greater distance
33 than one thousand (1,000) miles each month or that they are subject to official duty
34 call at all times.

35 (3) In the case of employees, it shall be shown that the major portion of the duties
36 assigned to the employee require travel on state business in excess of one thousand
37 (1,000) miles each month, or that the vehicle is identified by the agency as an integral
38 part of the job assignment.
39

40 In computing the number of miles required to be driven by a department head or an
41 employee, the distance between the individual's home and office or designated official
42 station is not to be considered as a part of the total. Department heads shall annually
43 submit justification for the continued assignment of each vehicle in their department,
44 which shall be reviewed by the commissioner of the Indiana department of administration,
45 or the commissioner's designee. There shall be an insignia permanently affixed on
46 each side of all state owned cars, designating the cars as being state owned. However,
47 this requirement does not apply to state owned cars driven by elected state officials
48 or to cases where the commissioner of the Indiana department of administration or
49 the commissioner's designee determines that affixing insignia on state owned cars

would hinder or handicap the persons driving the cars in the performance of their official duties.

SECTION 25. [EFFECTIVE JULY 1, 2007]

When budget agency approval or review is required under this act, the budget agency may refer to the budget committee any budgetary or fiscal matter for an advisory recommendation. The budget committee may hold hearings and take any actions authorized by IC 4-12-1-11, and may make an advisory recommendation to the budget agency.

SECTION 26. [EFFECTIVE JULY 1, 2007]

The governor of the state of Indiana is solely authorized to accept on behalf of the state any and all federal funds available to the state of Indiana. Federal funds received under this SECTION are appropriated for purposes specified by the federal government, subject to allotment by the budget agency. The provisions of this SECTION and all other SECTIONS concerning the acceptance, disbursement, review, and approval of any grant, loan, or gift made by the federal government or any other source to the state or its agencies and political subdivisions shall apply, notwithstanding any other law.

SECTION 27. [EFFECTIVE JULY 1, 2007]

Federal funds received as revenue by a state agency or department are not available to the agency or department for expenditure until allotment has been made by the budget agency under IC 4-12-1-12(d).

SECTION 28. [EFFECTIVE JULY 1, 2007]

A contract or an agreement for personal services or other services may not be entered into by any agency or department of state government without the approval of the budget agency or the designee of the budget director.

SECTION 29. [EFFECTIVE JULY 1, 2007]

Except in those cases where a specific appropriation has been made to cover the payments for any of the following, the auditor of state shall transfer, from the personal services appropriations for each of the various agencies and departments, necessary payments for Social Security, public employees' retirement, health insurance, life insurance, and any other similar payments directed by the budget agency.

SECTION 30. [EFFECTIVE JULY 1, 2007]

Subject to SECTION 25 of this act as it relates to the budget committee, the budget agency with the approval of the governor may withhold allotments of any or all appropriations contained in this act for the 2007-2009 biennium, if it is considered necessary to do so in order to prevent a deficit financial situation.

SECTION 31. [EFFECTIVE JULY 1, 2006 (RETROACTIVE)]

The following deficiency appropriation for the state fiscal year beginning July 1, 2006, and ending June 30, 2007, is made in addition to the appropriations in P.L.246-2005, SECTION 9:

**FOR THE DEPARTMENT OF EDUCATION
DISTRIBUTION FOR TUITION SUPPORT**

General Fund

Total Operating Expense	56,100,000
--------------------------------	-------------------

The deficiency appropriation made by this SECTION is not subject to transfer to any other fund or subject to transfer, assignment, or reassignment for any other use or purpose by the state board of finance, notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23, or by the budget agency, notwithstanding IC 4-12-1-12, or any other law.

SECTION 32. [EFFECTIVE JULY 1, 2007]

CONSTRUCTION

For the 2007-2009 biennium, the following amounts, from the funds listed as follows, are hereby appropriated to provide for the construction, reconstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals, and the purchase and sale of land, including equipment for such properties and other projects as specified.

State General Fund - Lease Rentals	
	194,059,832
State General Fund - Construction	
	275,199,919
State Police Building Commission Fund (IC 9-29-1-4)	
	6,200,000
Law Enforcement Academy Building Fund (IC 5-2-1-13)	
	1,319,300
Cigarette Tax Fund (IC 6-7-1-29.1)	
	3,600,000
Veterans' Home Building Fund (IC 10-17-9-7)	
	5,269,167
Postwar Construction Fund (IC 7.1-4-8-1)	
	37,560,000
Regional Health Care Construction Account (IC 4-12-8.5)	
	11,964,998
Build Indiana Fund (IC 4-30-17)	
	889,490
TOTAL	536,062,706

The allocations provided under this SECTION are made from the state general fund, unless specifically authorized from other designated funds by this act. The budget agency, with the approval of the governor, in approving the allocation of funds pursuant to this SECTION, shall consider, as funds are available, allocations for the following

1 specific uses, purposes, and projects:

2

3 **A. GENERAL GOVERNMENT**

4

5 **FOR THE HOUSE OF REPRESENTATIVES**

6	Repair and Rehabilitation	425,000
---	---------------------------	---------

7

8 **FOR THE SENATE**

9	Senate Renovation	1,500,000
---	-------------------	-----------

10

11 **FOR THE STATE BUDGET AGENCY**

12	Health and safety contingency	5,000,000
----	-------------------------------	-----------

13	Aviation Technology Center	2,428,284
----	----------------------------	-----------

14	Airport Facilities Lease	52,991,552
----	--------------------------	------------

15

16 **DEPARTMENT OF ADMINISTRATION - PROJECTS**

17	Preventive Maintenance	6,691,790
----	------------------------	-----------

18	Repair and Rehabilitation	13,905,000
----	---------------------------	------------

19 **DEPARTMENT OF ADMINISTRATION - LEASES**

20 **General Fund**

21	Lease - Government Center North	27,491,755
----	---------------------------------	------------

22	Lease - Government Center South	29,796,249
----	---------------------------------	------------

23	Lease - State Museum	15,234,934
----	----------------------	------------

24	Lease - McCarty Street Warehouse	1,458,200
----	----------------------------------	-----------

25	Lease - Parking Garages	11,151,141
----	-------------------------	------------

26	Lease - Toxicology Lab	11,070,106
----	------------------------	------------

27	Lease - Wabash Valley Correctional	26,229,390
----	------------------------------------	------------

28	Lease - Rockville Correctional	11,040,071
----	--------------------------------	------------

29	Lease - Miami Correctional	28,358,823
----	----------------------------	------------

30	Lease - Pendleton Juvenile Correctional	8,800,168
----	---	-----------

31	Lease - New Castle Correctional	23,428,995
----	---------------------------------	------------

32 **Regional Health Care Construction Account (IC 4-12-8.5)**

33	Lease - Evansville State Hospital	3,284,468
----	-----------------------------------	-----------

34	Lease - Southeast Regional Treatment	5,297,588
----	--------------------------------------	-----------

35	Lease - Logansport State Hospital	3,382,942
----	-----------------------------------	-----------

36

37 **B. PUBLIC SAFETY**

38

39 **(1) LAW ENFORCEMENT**

40

41 **INDIANA STATE POLICE**

42 **State Police Building Commission Fund (IC 9-29-1-4)**

43	Preventive Maintenance	1,015,000
----	------------------------	-----------

44	Repair and Rehabilitation	5,185,000
----	---------------------------	-----------

45 **Postwar Construction Fund (IC 7.1-4-8-1)**

46	Two State Police Posts	7,000,000
----	------------------------	-----------

47 **LAW ENFORCEMENT TRAINING BOARD**

48 **Law Enforcement Academy Building Fund (IC 5-2-1-13)**

49	Preventive Maintenance	936,000
----	------------------------	---------

	<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Repair and Rehabilitation		383,300
2	ADJUTANT GENERAL		
3	Preventive Maintenance		250,000
4	Johnson County Land Acquisition		1,900,000
5	Repair and Rehabilitation		1,650,000
6			
7	(2) CORRECTIONS		
8			
9	DEPARTMENT OF CORRECTION - PROJECTS		
10	Postwar Construction Fund (IC 7.1-4-8-1)		
11	Environmental Response		150,000
12	Repair and Rehabilitation		200,000
13	CORRECTIONAL UNITS		
14	Preventive Maintenance		1,515,598
15	Postwar Construction Fund (IC 7.1-4-8-1)		
16	Administration/Program Bldg.-Henryville		100,000
17	Repair and Rehabilitation		400,000
18	STATE PRISON		
19	Preventive Maintenance		954,492
20	Postwar Construction Fund (IC 7.1-4-8-1)		
21	Repair and Rehabilitation		5,200,000
22	PENDLETON CORRECTIONAL FACILITY		
23	Preventive Maintenance		1,257,064
24	Postwar Construction Fund (IC 7.1-4-8-1)		
25	Repair and Rehabilitation		1,200,000
26	WOMEN'S PRISON		
27	Preventive Maintenance		538,832
28	Postwar Construction Fund (IC 7.1-4-8-1)		
29	Repair and Rehabilitation		100,000
30	NEW CASTLE CORRECTIONAL FACILITY		
31	Preventive Maintenance		350,388
32	PUTNAMVILLE CORRECTIONAL FACILITY		
33	Preventive Maintenance		864,822
34	Postwar Construction Fund (IC 7.1-4-8-1)		
35	Central Water Softener System		300,000
36	Repair and Rehabilitation		140,000
37	PLAINFIELD EDUCATION RE-ENTRY FACILITY		
38	Preventive Maintenance		322,804
39	INDIANAPOLIS JUVENILE CORRECTIONAL FACILITY		
40	Preventive Maintenance		395,510
41	Postwar Construction Fund (IC 7.1-4-8-1)		
42	Repair and Rehabilitation		100,000
43	BRANCHVILLE CORRECTIONAL FACILITY		
44	Preventive Maintenance		272,932
45	Postwar Construction Fund (IC 7.1-4-8-1)		
46	Education building addition		1,800,000
47	WESTVILLE CORRECTIONAL FACILITY		
48	Preventive Maintenance		806,330
49	Postwar Construction Fund (IC 7.1-4-8-1)		

	<i>FY 2007-2008 Appropriation</i>	<i>FY 2008-2009 Appropriation</i>	<i>Biennial Appropriation</i>
1	Repair and Rehabilitation		3,500,000
2	ROCKVILLE CORRECTIONAL FACILITY		
3	Preventive Maintenance		357,296
4	PLAINFIELD CORRECTIONAL FACILITY		
5	Preventive Maintenance		663,704
6	Postwar Construction Fund (IC 7.1-4-8-1)		
7	Steam distribution center		12,000,000
8	Repair and Rehabilitation		420,000
9	RECEPTION-DIAGNOSTIC CENTER		
10	Preventive Maintenance		214,464
11	Postwar Construction Fund (IC 7.1-4-8-1)		
12	Fire egress stairwell		400,000
13	CORRECTIONAL INDUSTRIAL FACILITY		
14	Preventive Maintenance		584,172
15	Postwar Construction Fund (IC 7.1-4-8-1)		
16	Repair and Rehabilitation		750,000
17	WORK RELEASE CENTERS		
18	Preventive Maintenance		76,828
19	WABASH VALLEY CORRECTIONAL FACILITY		
20	Preventive Maintenance		608,820
21	Postwar Construction Fund (IC 7.1-4-8-1)		
22	Repair and Rehabilitation		2,800,000
23	MIAMI CORRECTIONAL FACILITY		
24	Preventive Maintenance		664,560
25	PENDLETON JUVENILE CORRECTIONAL FACILITY		
26	Preventive Maintenance		228,738
27			
28	C. CONSERVATION AND ENVIRONMENT		
29			
30	DEPARTMENT OF NATURAL RESOURCES - GENERAL ADMINISTRATION		
31	Preventive Maintenance		300,000
32	Repair and Rehabilitation		1,500,000
33	FISH AND WILDLIFE		
34	Preventive Maintenance		2,000,000
35	Health and Safety Projects		1,150,000
36	Public Access Projects		350,000
37	FORESTRY		
38	Preventive Maintenance		2,000,000
39	Repair and Rehabilitation		6,500,000
40	MUSEUMS AND HISTORIC SITES		
41	Preventive Maintenance		365,559
42	Repair and Rehabilitation		4,500,000
43	Tippecanoe Battlefield - Fence Restoration		430,000
44	NATURE PRESERVES		
45	Preventive Maintenance		200,000
46	Repair and Rehabilitation		1,350,000
47	OUTDOOR RECREATION		
48	Preventive Maintenance		50,000
49	Repair and Rehabilitation		375,000

STATE PARKS AND RESERVOIR MANAGEMENT

Preventive Maintenance	2,900,000
Repair and Rehabilitation	7,110,000
Nature Education Center	2,500,000
Water and Wastewater	3,000,000
Inn Rehabilitation	3,500,000
Campground Rehabilitation	3,890,000
Marina Rehabilitation	3,000,000
Pool Rehabilitation	6,000,000
Lincoln State Park Amphitheater Maintenance	810,000

Cigarette Tax Fund (IC 6-7-1-29.1)

Preventive Maintenance	3,600,000
-------------------------------	------------------

DIVISION OF WATER

Preventive Maintenance	250,000
Repair and Rehabilitation	8,925,000
Dredging Cedar Lake - Lake County	2,000,000

ENFORCEMENT

Preventive Maintenance	250,000
-------------------------------	----------------

STATE MUSEUM

Preventive Maintenance	650,000
Repair and Rehabilitation	300,000

OIL AND GAS

Repair and Rehabilitation	400,000
----------------------------------	----------------

ENTOMOLOGY

Invasive Species	1,000,000
Hydrilla Eradication	500,000

WHITE RIVER STATE PARK

Preventive Maintenance	500,000
Repair and Rehabilitation	480,000

WAR MEMORIALS COMMISSION

Preventive Maintenance	1,512,094
Civil War Battle Flags	238,500
Repair and Rehabilitation	815,300

INDIANA STATE FAIR

Ice Skating Academy	4,000,000
----------------------------	------------------

LITTLE CALUMET RIVER BASIN COMMISSION

Repair and Rehabilitation	2,000,000
----------------------------------	------------------

D. TRANSPORTATION

AIRPORT DEVELOPMENT

Airport Development	3,650,000
----------------------------	------------------

Of the foregoing allocation for the Indiana department of transportation, two million four hundred thousand dollars (\$2,400,000) are for airport development and shall be used for the purpose of assisting local airport authorities and local units of government in matching available federal funds under the airport improvement program and for matching federal grants for airport planning and for the other airport studies. Matching grants of aid shall be made in accordance with the approved annual capital

improvements program of the Indiana department of transportation and with the approval of the governor and the budget agency.

Of the foregoing allocation for the Indiana department of transportation, one million two hundred and fifty thousand dollars (\$1,250,000) are for construction of a terminal building at Hulman International Airport.

E. FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

(1) FAMILY AND SOCIAL SERVICES ADMINISTRATION

FSSA CONSTRUCTION

Repair and Rehabilitation	1,000,000
---------------------------	-----------

EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER

Preventive Maintenance	45,000
------------------------	--------

Repair and Rehabilitation	100,000
---------------------------	---------

EVANSVILLE STATE HOSPITAL

Preventive Maintenance	500,000
------------------------	---------

Consult/Design for Forensic Pts.	100,000
----------------------------------	---------

Repair and Rehabilitation	858,000
---------------------------	---------

MADISON STATE HOSPITAL

Preventive Maintenance	971,409
------------------------	---------

LOGANSPOUT STATE HOSPITAL

Preventive Maintenance	963,144
------------------------	---------

Repair and Rehabilitation	4,228,000
---------------------------	-----------

RICHMOND STATE HOSPITAL

Preventive Maintenance	1,210,724
------------------------	-----------

Operational Support Building	649,250
------------------------------	---------

Repair and Rehabilitation	3,329,000
---------------------------	-----------

LARUE CARTER MEMORIAL HOSPITAL

Preventive Maintenance	5,000,000
------------------------	-----------

(2) PUBLIC HEALTH

DEPARTMENT OF HEALTH

Preventive Maintenance	15,303
------------------------	--------

Repair and Rehabilitation	1,684,697
---------------------------	-----------

SCHOOL FOR THE BLIND

Preventive Maintenance	565,714
------------------------	---------

Repair and Rehabilitation	2,964,671
---------------------------	-----------

SCHOOL FOR THE DEAF

Preventive Maintenance	553,120
------------------------	---------

Repair and Rehabilitation	3,046,357
---------------------------	-----------

SOLDIERS' AND SAILORS' CHILDREN'S HOME

Preventive Maintenance	400,000
------------------------	---------

Repair and Rehabilitation	925,000
---------------------------	---------

(3) VETERANS' AFFAIRS

1	INDIANA VETERANS' HOME	
2	Veterans' Home Building Fund (IC 10-17-9-7)	
3	Preventive Maintenance	1,000,000
4	Replacement of Busses	485,000
5	Repair and Rehabilitation	3,784,167
6		
7	F. EDUCATION	
8		
9	HIGHER EDUCATION	
10		
11	INDIANA UNIVERSITY - TOTAL SYSTEM	
12	General Repair and Rehab	25,202,564
13	PURDUE UNIVERSITY - TOTAL SYSTEM	
14	General Repair and Rehab	19,777,318
15	Indiana Purdue Ft. Wayne-Northeast Indiana Innovation Center	5,000,000
16	INDIANA STATE UNIVERSITY	
17	General Repair and Rehab	4,681,980
18	UNIVERSITY OF SOUTHERN INDIANA	
19	General Repair and Rehab	1,121,925
20	BALL STATE UNIVERSITY	
21	General Repair and Rehab	6,726,301
22	VINCENNES UNIVERSITY	
23	General Repair and Rehab	2,272,968
24	IVY TECH COMMUNITY COLLEGE	
25	General Repair and Rehab	2,287,041
26	A&E Phase 2 Bloomington	350,000
27		
28	G. OTHER PROJECTS	
29	MARTIN COUNTY 4-H BOARD	
30	Build Indiana Fund (IC 4-30-17)	
31	Martin County Community Building	39,490
32		
33	The above appropriation shall be paid from funds remaining after the transfers required	
34	under IC 4-30-17-3.5.	
35		
36	DEPARTMENT OF NATURAL RESOURCES	
37	Build Indiana Fund (IC 4-30-17)	
38	Lake Shafer & Lake Freeman Dredging	850,000
39		
40	The above appropriation shall be paid from funds remaining after the transfers required	
41	under IC 4-30-17-3.5.	
42		
43	TOWN OF ROCKVILLE	
44	Postwar Construction Fund (IC 7.1-4-8-1)	
45	Rockville Sewer Upgrade Serving the Rockville Correctional Facility	1,000,000
46		
47	In addition to any other use of money from the postwar construction fund, the budget	
48	agency, after review by the budget committee shall allot and distribute the above	
49	appropriation from the postwar construction fund to the Town of Rockville. The Town	

1 of Rockville may use the distributed amount for an upgrade to the sewer system serving
2 Rockville and the Rockville Correctional Facility, including any reserve requirements
3 or expenses related to issuing bonds or entering into loans to finance an upgrade
4 of the sewer system.

5
6 **SECTION 33. [EFFECTIVE JULY 1, 2007]**

7
8 The budget agency may employ one (1) or more architects or engineers to inspect
9 construction, rehabilitation, and repair projects covered by the appropriations in
10 this act or previous acts.

11
12 **SECTION 34. [EFFECTIVE JULY 1, 2007]**

13
14 If any part of a construction or rehabilitation and repair appropriation made by
15 this act or any previous acts has not been allotted or encumbered before the expiration
16 of two (2) biennia, the budget agency may determine that the balance of the appropriation
17 is not available for allotment. The appropriation may be terminated, and the balance
18 may revert to the fund from which the original appropriation was made.

19
20 **SECTION 35. [EFFECTIVE UPON PASSAGE]**

21
22 The budget agency may retain balances in the mental health fund at the end of any
23 fiscal year to ensure there are sufficient funds to meet the service needs of the
24 developmentally disabled and the mentally ill in any year.

25
26 **SECTION 36. [EFFECTIVE JULY 1, 2007]**

27
28 If the budget director determines at any time during the biennium that the executive branch
29 of state government cannot meet its statutory obligations due to insufficient funds in the general
30 fund, then notwithstanding IC 4-10-18, the budget agency, with the approval of the governor and
31 after review by the budget committee, may transfer from the counter-cyclical revenue and
32 economic stabilization fund to the general fund an amount necessary to maintain a positive
33 balance in the general fund.

34
35 **SECTION 37. IC 5-1-14-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION**
36 **TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) A county or municipality may**
37 **issue bonds, notes, or other obligations for the purpose of providing funds to pay pension**
38 **benefits under IC 36-8-6, IC 36-8-7, or IC 36-8-7.5.**

39 **(b) Notwithstanding any other law:**

40 **(1) bonds, notes, or other obligations issued for the purpose described in this section may**
41 **have a final maturity date up to, but not exceeding, forty (40) years from the date of**
42 **original issuance;**

43 **(2) the amount of bonds, notes, or other obligations that may be issued for the purpose**
44 **described in this section may not exceed two percent (2%) of the true tax value of property**
45 **located within the county or municipality; and**

46 **(3) the proceeds of bonds, notes, or other obligations issued for the purpose described in this**
47 **section may be deposited to the issuing county's or municipality's separate account**
48 **described in IC 5-10.3-11-6.**

49 **(c) This section is supplemental to all other laws but does not relieve a county or municipality**
50 **from complying with other procedural requirements for the issuance of bonds, notes, or other**

1 **obligations.**

2 SECTION 38. IC 6-1.1-12.4-2, AS ADDED BY P.L.193-2005, SECTION 8, IS AMENDED TO
3 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) For purposes of this section, an
4 increase in the assessed value of real property is determined in the same manner that an increase in the
5 assessed value of real property is determined for purposes of IC 6-1.1-12.1.

6 (b) This subsection applies only to a development, redevelopment, or rehabilitation that is first
7 assessed after March 1, 2005, and before March 2, ~~2009~~ **2007**. Except as provided in subsection (h)
8 and sections 4, 5, and 8 of this chapter, an owner of real property that:

9 (1) develops, redevelops, or rehabilitates the real property; and

10 (2) creates or retains employment from the development, redevelopment, or rehabilitation;
11 is entitled to a deduction from the assessed value of the real property.

12 (c) The deduction under this section is first available in the year in which the increase in assessed
13 value resulting from the development, redevelopment, or rehabilitation occurs and continues for the
14 following two (2) years. The amount of the deduction that a property owner may receive with respect
15 to real property located in a county for a particular year equals the lesser of:

16 (1) two million dollars (\$2,000,000); or

17 (2) the product of:

18 (A) the increase in assessed value resulting from the development, rehabilitation, or
19 redevelopment; multiplied by

20 (B) the percentage from the following table:

21 YEAR OF DEDUCTION	PERCENTAGE
22 1st	75%
23 2nd	50%
24 3rd	25%

25 (d) A property owner that qualifies for the deduction under this section must file a notice to claim
26 the deduction in the manner prescribed by the department of local government finance under rules
27 adopted by the department of local government finance under IC 4-22-2 to implement this chapter. The
28 township assessor shall:

29 (1) inform the county auditor of the real property eligible for the deduction as contained in the
30 notice filed by the taxpayer under this subsection; and

31 (2) inform the county auditor of the deduction amount.

32 (e) The county auditor shall:

33 (1) make the deductions; and

34 (2) notify the county property tax assessment board of appeals of all deductions approved;
35 under this section.

36 (f) The amount of the deduction determined under subsection (c)(2) is adjusted to reflect the
37 percentage increase or decrease in assessed valuation that results from:

38 (1) a general reassessment of real property under IC 6-1.1-4-4; or

39 (2) an annual adjustment under IC 6-1.1-4-4.5.

40 (g) If an appeal of an assessment is approved that results in a reduction of the assessed value of the
41 real property, the amount of the deduction under this section is adjusted to reflect the percentage
42 decrease that results from the appeal.

43 (h) The deduction under this section does not apply to a facility listed in IC 6-1.1-12.1-3(e).

44 SECTION 39. IC 6-1.1-12.4-3, AS AMENDED BY HEA 1084-2007, SECTION 41, IS AMENDED
45 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) For purposes of this section, an
46 increase in the assessed value of personal property is determined in the same manner that an increase
47 in the assessed value of new manufacturing equipment is determined for purposes of IC 6-1.1-12.1.

48 (b) This subsection applies only to personal property that the owner purchases after March 1, 2005,
49 and before March 2, ~~2009~~ **2007**. Except as provided in sections 4, 5, and 8 of this chapter, an owner
50 that purchases personal property other than inventory (as defined in 50 IAC 4.2-5-1, as in effect on

January 1, 2005) that:

- (1) was never before used by its owner for any purpose in Indiana; and
- (2) creates or retains employment;

is entitled to a deduction from the assessed value of the personal property.

(c) The deduction under this section is first available in the year in which the increase in assessed value resulting from the purchase of the personal property occurs and continues for the following two (2) years. The amount of the deduction that a property owner may receive with respect to personal property located in a county for a particular year equals the lesser of:

- (1) two million dollars (\$2,000,000); or
- (2) the product of:
 - (A) the increase in assessed value resulting from the purchase of the personal property; multiplied by
 - (B) the percentage from the following table:

YEAR OF DEDUCTION	PERCENTAGE
1st	75%
2nd	50%
3rd	25%

(d) If an appeal of an assessment is approved that results in a reduction of the assessed value of the personal property, the amount of the deduction is adjusted to reflect the percentage decrease that results from the appeal.

(e) A property owner must claim the deduction under this section on the owner's annual personal property tax return. The township assessor shall:

- (1) identify the personal property eligible for the deduction to the county auditor; and
- (2) inform the county auditor of the deduction amount.

(f) The county auditor shall:

- (1) make the deductions; and
- (2) notify the county property tax assessment board of appeals of all deductions approved;

under this section.

(g) The deduction under this section does not apply to personal property at a facility listed in IC 6-1.1-12.1-3(e).

SECTION 40. IC 6-2.5-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) The department shall account for all state gross retail and use taxes that it collects.

(b) The department shall deposit those collections in the following manner:

- (1) Fifty percent (50%) of the collections shall be paid into the property tax replacement fund established under IC 6-1.1-21.
- (2) Forty-nine and ~~one hundred ninety-two~~ **sixty-seven** thousandths percent (~~49.192%~~ **(49.067%)**) of the collections shall be paid into the state general fund.
- (3) ~~Six hundred thirty-five thousandths~~ **Seventy-six hundredths** of one percent (~~0.635%~~ **(0.76%)**) of the collections shall be paid into the public mass transportation fund established by IC 8-23-3-8.
- (4) Thirty-three thousandths of one percent (0.033%) of the collections shall be deposited into the industrial rail service fund established under IC 8-3-1.7-2.
- (5) Fourteen-hundredths of one percent (0.14%) of the collections shall be deposited into the commuter rail service fund established under IC 8-3-1.5-20.5.

SECTION 41. IC 6-3-1-11, AS AMENDED BY P.L.184-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 11. (a) The term "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on January 1, ~~2006~~ **2007**.

(b) Whenever the Internal Revenue Code is mentioned in this article, the particular provisions that

are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, ~~2006~~, **2007**, that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, ~~2006~~, **2007**, shall be regarded as rules adopted by the department under this article, unless the department adopts specific rules that supersede the regulation.

(c) An amendment to the Internal Revenue Code made by an act passed by Congress before January 1, ~~2006~~, **2007**, that is effective for any taxable year that began before January 1, ~~2006~~, **2007**, and that affects:

- (1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);
- (2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);
- (3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);
- (4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);
- (5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or
- (6) taxable income (as defined in Section 832 of the Internal Revenue Code);

is also effective for that same taxable year for purposes of determining adjusted gross income under section 3.5 of this chapter.

SECTION 42. IC 6-8-12 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 12. Eligible Event; Exemption from Taxation

Sec. 1. As used in this chapter, "eligible entity" means the National Football League and its affiliates as defined in the National Football League document titled "SUPER BOWL XLV HOST CITY BID SPECIFICATIONS & REQUIREMENTS" dated October 2006.

Sec. 2. As used in this chapter, "eligible event" means an event known as the Super Bowl that is conducted by an eligible entity described in section 1 of this chapter.

Sec. 3. All property owned by an eligible entity, revenues of an eligible entity, and expenditures and transactions of an eligible entity:

- (1) in connection with an eligible event; and
- (2) resulting from holding an eligible event in Indiana or making preparatory advance visits to Indiana in connection with an eligible event;

are exempt from taxation in Indiana for all purposes.

Sec. 4. The excise tax under IC 6-9-13 does not apply to an eligible event.

Sec. 5. The general assembly finds that:

- (1) this chapter has been enacted as a requirement to host an eligible event in Indiana and that an eligible event would not be held in Indiana without the exemptions provided in this chapter;
- (2) notwithstanding the exemptions provided in this chapter, an eligible event held in Indiana would generate a significant economic impact for Indiana and additional revenues from taxes affected by this chapter; and
- (3) the exemptions provided in this chapter will not reduce or adversely affect the levy and collection of taxes pledged to the payment of bonds, notes, leases, or subleases payable from those taxes.

SECTION 43. IC 9-29-5-2, AS AMENDED BY P.L.1-2005, SECTION 112, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. The fee for the registration of a motorcycle is ~~seventeen~~ **twenty-seven** dollars (~~\$17~~). (**\$27**). The revenue from this fee shall be allocated as follows:

(1) Seven dollars (\$7) to the motorcycle operator safety education fund established by IC 20-30-13-11.

(2) An amount prescribed as a license branch service charge under IC 9-29-3.

(3) Ten dollars (\$10) to the spinal cord and brain injury fund under IC 16-41-42-4.

~~(3)~~ **(4)** The balance to the state general fund for credit to the motor vehicle highway account.

SECTION 44. IC 16-18-2-37.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 37.5. (a) "Board" for purposes of IC 16-22-8, has the meaning set forth in IC 16-22-8-2.1.

(b) "Board" for purposes of IC 16-41-42, has the meaning set forth in IC 16-41-42-1.

SECTION 45. IC 16-18-2-143 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 143. (a) "Fund", for purposes of IC 16-26-2, has the meaning set forth in IC 16-26-2-2.

(b) "Fund", for purposes of IC 16-31-8.5, has the meaning set forth in IC 16-31-8.5-2.

(c) "Fund", for purposes of IC 16-46-5, has the meaning set forth in IC 16-46-5-3.

(d) "Fund", for purposes of IC 16-46-12, has the meaning set forth in IC 16-46-12-1.

(e) "Fund", for purposes of IC 16-41-42, has the meaning set forth in IC 16-41-42-2.

SECTION 46. IC 16-18-2-315.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 315.5. "Registry", for purposes of IC 16-41-42, has the meaning set forth in IC 16-41-42-3.**

SECTION 47. IC 16-41-42 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

Chapter 42. Spinal Cord and Brain Injury

Sec. 1. As used in this chapter, "board" refers to the spinal cord and brain injury research board created by section 6 of this chapter.

Sec. 2. As used in this chapter, "fund" refers to the spinal cord and brain injury fund established by section 3 of this chapter.

Sec. 3. (a) The spinal cord and brain injury fund is established to fund research on spinal cord and brain injuries.

(b) The fund shall be administered by the state department.

(c) The fund consists of:

(1) appropriations;

(2) gifts and bequests;

(3) fees deposited in the fund under IC 9-29-5-2; and

(4) grants received from the federal government or private sources.

(d) The expenses of administering the fund shall be paid from money in the fund.

(e) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested.

(f) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(g) Of the money in the fund is continually appropriated to the state department to fund spinal cord and brain injury research programs.

Sec. 4. The fund is to be used for the following purposes:

(1) Establishing and maintain a state medical surveillance registry for traumatic spinal cord and brain injuries.

(2) Fulfilling the duties of the board under section 6 of this chapter.

(3) Funding research related to treatment and cure of spinal cord and brain injuries, including acute management, medical complications, rehabilitative techniques, and neuronal recovery. Research must be conducted in compliance with all state and federal laws.

Sec. 5. (a) The spinal cord and brain injury research board is created for the purpose of administering the fund. The board is composed of nine (9) members.

(b) The following four (4) members of the board shall be appointed by the governor:

- 1 (1) One (1) member who has a spinal cord or head injury or who has a family member with
2 a spinal cord or head injury.
- 3 (2) One (1) member who is a physician licensed under IC 25-22.5 who has specialty training
4 in neuroscience and surgery.
- 5 (3) One (1) member who is a physiatrist holding a board certification from the American
6 Board of Physical Medicine and Rehabilitation.
- 7 (4) One (1) member representing the technical life sciences industry.
- 8 (c) The following five (5) members of the board shall be appointed as follows:
- 9 (1) One (1) member representing Indiana University to be appointed by Indiana University.
- 10 (2) One (1) member representing Purdue University to be appointed by Purdue University.
- 11 (3) One (1) member representing the National Spinal Cord Injury Association to be
12 appointed by the National Spinal Cord Injury Association.
- 13 (4) One (1) member representing the largest freestanding rehabilitation hospital for brain
14 and spinal cord injuries in Indiana to be appointed by the Rehabilitation Hospital of
15 Indiana located in Indianapolis.
- 16 (5) One (1) member representing the American Brain Injury Association to be appointed
17 by the Brain Injury Association of Indiana.
- 18 (d) The term of a member is four (4) years. A member serves until a successor is appointed
19 and qualified. If a vacancy occurs on the board before the end of a member's term, the
20 appointing authority appointing the vacating member shall appoint an individual to serve the
21 remainder of the vacating member's term.
- 22 (e) A majority of the members appointed to the board constitutes a quorum. The affirmative
23 votes of a majority of the members are required for the board to take action on any measure.
- 24 (f) Each member of the board is entitled to the minimum salary per diem provided by
25 IC 4-10-11-2.1(b). The member is also entitled to reimbursement for traveling expenses as
26 provided under IC 4-13-1-4 and other expenses actually incurred in connection with the
27 member's duties as provided in the state policies and procedures established by the Indiana
28 department of administration and approved by the budget agency.
- 29 (g) The board shall annually elect a chairperson who shall be the presiding officer of the
30 board. The board may establish other officers and procedures as the board determines
31 necessary.
- 32 (h) The board shall meet at least two (2) times each year. The chairperson may call additional
33 meetings.
- 34 (i) The state department shall provide staff for the board. The state department shall
35 maintain a registry of the members of the board. An appointing authority shall provide written
36 confirmation of an appointment to the board to the state department in the form and manner
37 specified by the state department.
- 38 (j) The board shall do the following:
- 39 (1) Consider policy matters relating to spinal cord and brain injury research projects and
40 programs under this chapter.
- 41 (2) Consider research applications and make grants for approved research projects under
42 this chapter.
- 43 (3) Formulate policies and procedures concerning the operation of the board.
- 44 (4) Review and authorize spinal cord and brain injury research projects and programs to
45 be financed under this chapter. For purposes of this subdivision, the board may establish
46 an independent scientific advisory panel composed of scientists and clinicians who are not
47 members of the board to review proposals submitted to the board and make
48 recommendations to the board. Collaborations are encouraged with other Indiana-based
49 researchers as well as researchers located outside Indiana, including researchers in other
50 countries.

1 (5) Review and approve progress and final research reports on projects authorized under
2 this chapter.

3 (6) Review and make recommendations concerning the expenditure of money from the
4 fund.

5 (7) Take other action necessary for the purpose stated in subsection (a).

6 (8) Provide to the governor, the general assembly, and the legislative council an annual
7 report not later than January 30 of each year showing the status of funds appropriated
8 under this chapter. The report to the general assembly and the legislative council must be
9 in an electronic format under IC 5-14-6.

10 (k) A member of the board is exempt from civil liability arising or thought to arise from an
11 action taken in good faith as a member of the board.

12 Sec. 6. The state department shall adopt rules under IC 4-22-2 to implement this chapter.

13 SECTION 48. [EFFECTIVE JULY 1, 2007] (a) As used in this SECTION, "board" refers to
14 the spinal cord and brain injury research board created by IC 16-41-42-6, as added by this act.

15 (b) Notwithstanding IC 16-41-42-6, as added by this act, members initially appointed to the
16 board under IC 16-41-42-6(b)(1), IC 16-42-41-6(c)(1), and IC 16-42-41-6(c)(2), as added by this
17 act, are appointed for a term of four (4) years.

18 (c) Notwithstanding IC 16-41-42-6, as added by this act, members initially appointed to the
19 board under IC 16-41-42-6(c)(3) and IC 16-41-42-6(c)(4), as added by this act, are appointed for
20 a term of three (3) years.

21 (d) Notwithstanding IC 16-41-42-6, as added by this act, members initially appointed to the
22 board under IC 16-41-42-6(b)(4) and IC 16-41-42-6(c)(5), as added by this act, are appointed for
23 a term of two (2) years.

24 (e) Notwithstanding IC 16-41-42-6, as added by this act, members initially appointed to the
25 board under IC 16-41-42-6(b)(2) and IC 16-41-42-6(b)(3), as added by this act, are appointed for
26 a term of one (1) year.

27 (f) This SECTION expires July 1, 2011.

28 SECTION 49. IC 21-16-2-2, AS ADDED BY SEA 526, SECTION 257, IS AMENDED TO READ
29 AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 2. (a) The college work study fund is established
30 to provide reimbursement to eligible employers who enter into agreements with the commission under
31 this chapter.

32 (b) The fund consists of appropriations from the state general fund and contributions from private
33 sources.

34 (c) The expenses of administering the fund shall be paid from money in the fund.

35 (d) The treasurer of state shall invest the money in the fund not currently needed to meet the
36 obligations of the fund in the same manner as other public funds may be invested. Interest that accrues
37 from these investments shall be deposited in the fund.

38 (e) Money in the fund at the end of a particular fiscal year does not revert to the state general fund
39 **but remains available to be used for providing reimbursements under this chapter.**

40 SECTION 50. IC 21-16-4-11, AS ADDED BY SEA 526-2007, SECTION 257, IS AMENDED TO
41 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. Funds received under the loan program
42 shall be deposited with the treasurer of state in a separate account known as the "student loan program
43 fund". The money remaining in the student loan program fund at the end of a state fiscal year does not
44 revert to the state general fund **but remains available to be used for providing student loans under**
45 **this chapter.** After consultation with the program director of the loan program, the treasurer of state
46 shall invest the funds. The income earned on the invested amount is part of the fund.

47 SECTION 51. IC 21-16-5-17, AS ADDED BY SEA 526-2007, SECTION 257, IS AMENDED TO
48 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) The secondary market sale fund is
49 established to provide money for school assessment testing and remediation, including reading

1 recovery programs. The fund shall be administered by the budget agency.

2 (b) The expenses of administering the fund shall be paid from money in the fund. The fund consists
3 of proceeds from the sale of assets of the Indiana Secondary Market for Education Loans,
4 Incorporated.

5 (c) The treasurer of state shall invest the money in the fund not currently needed to meet the
6 obligations of the fund in the same manner as other public funds may be invested. Interest earned from
7 these investments shall be credited to the fund.

8 (d) Money in the fund at the end of a state fiscal year does not revert to the state general fund **but**
9 **remains available to be used for providing money for school assessment testing and remediation,**
10 **including reading recovery programs as allowed under this chapter.**

11 SECTION 52. IC 21-13-3-2, AS ADDED BY SEA 526-2007, SECTION 254, IS AMENDED TO
12 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The commission shall administer the
13 fund.

14 (b) The expenses of administering the fund shall be paid from money in the fund.

15 (c) The treasurer of state shall invest the money in the fund not currently needed to meet the
16 obligations of the fund in the same manner as other public funds. Interest that accrues from those
17 investments must be deposited in the fund.

18 (d) Money in the fund at the end of a fiscal year does not revert to the state general fund **but**
19 **remains available to be used for providing money for nursing scholarships under this chapter.**

20 SECTION 53. IC 21-12-8-1, AS ADDED BY SEA 526-2007, SECTION 253, IS AMENDED TO
21 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) The part-time student grant fund is
22 established to make awards authorized under this chapter to eligible applicants.

23 (b) The fund consists of the following:

24 (1) Appropriations made by the general assembly.

25 (2) Gifts, grants, devises, or bequests made to the state to achieve the purposes of the fund.

26 (c) The fund shall be administered by the commission.

27 (d) The fund must be separate and distinct from other funds administered by the commission and
28 money in the fund may not be exchanged with or transferred to other funds.

29 (e) The treasurer of state shall invest the money in the fund not currently needed to meet the
30 obligations of the fund in the same manner as other public funds are invested.

31 (f) Money in the fund at the end of a state fiscal year does not revert to the state general fund **but**
32 **remains available to be used for providing money for part-time student grants under this**
33 **chapter.**

34 SECTION 54. IC 21-45-2-1, AS ADDED BY SEA 526-2007, SECTION 286, IS AMENDED TO
35 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The board of trustees of Indiana
36 University may establish in the Indiana University School of Medicine a department school of public
37 health. ~~and The board of trustees shall provide adequate equipment and competent personnel to carry~~
38 ~~out for the purpose of this chapter: school of public health. The school of public health may use any~~
39 **property acquired before July 1, 2007, by Indiana University for the medical school department**
40 **of public health.**

41 SECTION 55. IC 21-45-2-3, AS ADDED BY SEA 526-2007, SECTION 286, IS AMENDED TO
42 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. The ~~Indiana University~~ school of
43 ~~Medicine~~ **public health** may charge and collect a tuition fee for courses provided under section 2 of
44 this chapter. The amount of the tuition fee for a course may not exceed the actual cost of providing the
45 course. However, if, in the discretion of the board of trustees acting in conjunction with the state
46 department of health, a tuition fee at cost would discourage attendance in any course provided under
47 section 2 of this chapter, the tuition fee may be decreased or waived entirely for all persons taking the
48 course.

49 SECTION 56. IC 21-38-8-2, AS ADDED BY SEA 526-2007, SECTION 279, IS AMENDED TO

1 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The Indiana excellence in teaching
2 endowment is established to provide state educational institutions with grants to match interest income
3 generated by an endowment to attract and retain distinguished teachers. The fund shall be administered
4 by the council.

5 (b) The expenses of administering the fund shall be paid from money in the fund.

6 (c) The treasurer of state shall invest the money in the fund not currently needed to meet obligations
7 of the fund in the same manner as other public funds may be invested.

8 (d) Money in the fund at the end of the state fiscal year does not revert to the state general fund **but**
9 **remains available to be used for providing money for grants as allowed under this chapter.**

10 SECTION 57. IC 21-12-6-2, AS ADDED BY SEA 526-2007, SECTION 253, IS AMENDED TO
11 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The twenty-first century scholars
12 fund is established to provide the financial resources necessary to award the scholarships authorized
13 under the program.

14 (b) The commission shall administer the fund.

15 (c) The expenses of administering the fund shall be paid from money in the fund.

16 (d) The treasurer of state shall invest the money in the fund not currently needed to meet the
17 obligations of the fund in the same manner as other public funds may be invested.

18 (e) Money in the fund at the end of a state fiscal year does not revert to the state general fund **but**
19 **remains available to be used for providing money for twenty-first century scholarships under**
20 **this chapter.**

21 SECTION 58. IC 21-12-7-1, AS ADDED BY SEA 526-2007, SECTION 253, IS AMENDED TO
22 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) The twenty-first century scholars
23 program support fund is established to provide reimbursements to scholarship recipients to offset
24 educational support costs incurred by scholarship recipients.

25 (b) The commission shall administer the fund.

26 (c) The treasurer of state shall invest the money in the fund not currently needed to meet the
27 obligations of the fund in the same manner as other public funds may be invested.

28 (d) Money in the fund at the end of a state fiscal year does not revert to the state general fund **but**
29 **remains available to be used for providing money for twenty-first century scholarships under**
30 **this chapter.**

31 SECTION 59. IC 21-13-4-1, AS ADDED BY SEA 526-2007, SECTION 254, IS AMENDED TO
32 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) The National Guard tuition
33 supplement program fund is established to provide the financial resources necessary to award the
34 tuition scholarships authorized under the program.

35 (b) The commission shall administer the fund.

36 (c) The expenses of administering the fund shall be paid from money in the fund.

37 **(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund**
38 **but remains available to be used for providing money for national guard tuition supplement**
39 **scholarships under this chapter.**

40 SECTION 60. IC 21-43-6-2, AS ADDED BY SEA 526-2007, SECTION 284, IS AMENDED TO
41 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 2. **(a)** To be eligible to earn a high school
42 diploma, an individual must be either:

43 (1) at least nineteen (19) years of age and not enrolled in a high school; or

44 (2) at least seventeen (17) years of age and have consent from the high school the individual
45 attended most recently.

46 **(b)** The school corporation in which an individual described in this subdivision has legal settlement
47 shall pay the individual's ~~tuition costs~~ for high school level courses taken at Ivy Tech Community
48 College during each year the individual is included in the school corporation's ADM.

49 SECTION 61. IC 21-17-3-8, AS ADDED BY SEA 526-2007, SECTION 258, IS AMENDED TO

1 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) The career college student assurance
2 fund is established to provide indemnification to a student or an enrollee of a postsecondary
3 proprietary educational institution who suffers loss or damage as a result of an occurrence described
4 in section 5(c) of this chapter if the occurrence transpired after June 30, 1992, and as provided in
5 section 25 of this chapter.

6 (b) The commission shall administer the fund.

7 (c) The expenses of administering the fund shall be paid from money in the fund.

8 (d) The treasurer of state shall invest the money in the fund not currently needed to meet the
9 obligations of the fund in the same manner as other public funds may be invested.

10 (e) Money in the fund at the end of a state fiscal year does not revert to the state general fund **but**
11 **remains available to be used for providing money for reimbursements allowed under this**
12 **chapter.**

13 (f) Upon the fund acquiring fifty thousand dollars (\$50,000), the balance in the fund must not
14 become less than fifty thousand dollars (\$50,000). If:

15 (1) a claim against the fund is filed that would, if paid in full, require the balance of the fund to
16 become less than fifty thousand dollars (\$50,000); and

17 (2) the commission determines that the student is eligible for a reimbursement under the fund;
18 the commission shall prorate the amount of the reimbursement to ensure that the balance of the fund
19 does not become less than fifty thousand dollars (\$50,000), and the student is entitled to receive that
20 balance of the student's claim from the fund as money becomes available in the fund from
21 contributions to the fund required under this chapter.

22 (g) The commission shall ensure that all outstanding claim amounts described in subsection (f) are
23 paid as money in the fund becomes available in the chronological order of the outstanding claims.

24 (h) A claim against the fund may not be construed to be a debt of the state.

25 SECTION 62. IC 20-20-35 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO
26 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

27 **Chapter 35. Prekindergarten Grant Pilot Program**

28 **Sec. 1. As used in this chapter, "eligible provider" means any of the following:**

29 (1) School corporations.

30 (2) Any entity providing a prekindergarten program that is accredited by the National
31 Association for the Education of Young Children.

32 However, the term does not include a charter school or an entity affiliated with a charter school.

33 **Sec. 2. As used in this chapter, "pilot program" refers to the pilot program established under**
34 **section 3 of this chapter.**

35 **Sec. 3. (a) The department shall establish a pilot program to provide grants to eligible**
36 **providers selected by the department to implement prekindergarten programs.**

37 (b) The department shall administer the pilot program.

38 **Sec. 4. (a) To be eligible for selection as a pilot program grant recipient, an eligible provider**
39 **must do the following:**

40 (1) Apply to the department for a grant, on forms provided by the department, and include
41 a detailed description of the eligible provider's proposed prekindergarten program. The
42 description must include at least the following information:

43 (A) An estimate of the number of students likely to participate.

44 (B) A description of the prekindergarten curriculum that will be instituted by the
45 eligible provider. The prekindergarten curriculum must be consistent with the
46 Foundations to the Indiana Academic Standards for Young Children (or successor
47 standards adopted by the department of education).

48 (C) A description of how the curriculum of the proposed prekindergarten program
49 aligns with existing programs and standards for students in kindergarten through grade
50 3.

1 (D) An estimate of the cost of implementing the prekindergarten program.

2 (2) Demonstrate a commitment by teachers, parents, and school administrators toward

3 carrying out the proposed prekindergarten program.

4 (3) Comply with any other requirements set forth by the department.

5 (b) Subject to section 6 of this chapter, after review of the applications submitted under this

6 section, the department shall do the following:

7 (1) Select the eligible providers that will participate in the pilot program.

8 (2) Provide grants to the eligible providers selected to participate in the pilot program.

9 (c) The education roundtable shall provide recommendations to the department concerning

10 the criteria to be used by the department in selecting the eligible providers that will participate

11 in the pilot program.

12 (d) The criteria to be used by the department in selecting the eligible providers that will

13 participate in the pilot program must do the following:

14 (1) Include at least an evaluation of the following:

15 (A) The information submitted by the eligible provider under subsection (a).

16 (B) The coordination of the proposed prekindergarten program with local health

17 services and social services.

18 (2) Take into consideration the requirements of section 6 of this chapter.

19 Sec. 5. A prekindergarten program that is part of the pilot program and is funded by a grant

20 under this chapter:

21 (1) may serve only prekindergarten students who are at least four (4) years of age on

22 September 1 of the school year; and

23 (2) may be a half-day or full-day program.

24 Sec. 6. The department shall:

25 (1) select a representative sample of eligible providers, determined through an application

26 procedure, to participate in the pilot program;

27 (2) give priority to the selection of:

28 (A) lower performing school corporations; and

29 (B) private providers of prekindergarten programs located in areas served by lower

30 performing school corporations; and

31 (3) to the extent possible, select eligible providers so that the pilot program will:

32 (A) achieve a geographic balance throughout Indiana;

33 (B) include urban, suburban, and rural eligible providers; and

34 (C) include both public eligible providers and private eligible providers.

35 Sec. 7. Subject to the approval of the department, an eligible provider participating in the

36 pilot program may enter into a contract with an individual or a nonprofit entity for the

37 operation and management of all or any part of a prekindergarten program funded by a grant

38 under this chapter.

39 Sec. 8. Unexpended money appropriated to the department for the department's use in

40 implementing the pilot program at the end of a state fiscal year does not revert to the state

41 general fund but remains available to the department for the department's continued use under

42 this chapter.

43 Sec. 9. The department shall adopt rules under IC 4-22-2 to implement this chapter. The rules

44 must include the following:

45 (1) Minimum requirements concerning the prekindergarten curriculum that must be used

46 by an eligible provider participating in the pilot program. The prekindergarten curriculum

47 must be consistent with the Foundations to the Indiana Academic Standards for Young

48 Children (or successor standards adopted by the department of education).

49 (2) The maximum class size of a prekindergarten program funded by a grant under this

50 chapter.

(3) A requirement that each class in a prekindergarten program funded by a grant under this chapter must be taught by a teacher who has any of the following:

(A) A prekindergarten teacher's license.

(B) An early childhood education teacher's license.

(C) A degree in early childhood education, child development, elementary education, or early childhood special education.

Sec. 10. (a) Each eligible provider that participates in the pilot program shall annually prepare a written report detailing all the pertinent information concerning the implementation of the pilot program, including any recommendations made and conclusions drawn from the pilot program. The eligible provider must submit the report to the department before July 1 of each year.

(b) Before November 1 of each year, the department shall submit a report to the governor and the general assembly on the pilot program. The report must include the following:

(1) Any conclusions and recommendations made by the department concerning prekindergarten programs.

(2) Information concerning the cost of expanding the pilot program statewide.

(3) A description of any social programs or health programs that could be provided efficiently with prekindergarten programs.

A report submitted under this subsection to the general assembly must be in an electronic format under IC 5-14-6.

(c) The department shall monitor the performance of students who participate in the pilot program as those students continue their education in elementary school.

Sec. 11. This chapter expires July 1, 2014.

SECTION 63. IC 20-43-4-8, AS ADDED BY SEA 526-2007, SECTION 241, IS AMENDED TO READ AS FOLLOWS: [EFFECTIVE JULY 1, 2007]: Sec. 8. A student who participates in:

(1) a postsecondary enrollment program under IC 21-43-4 is considered a student enrolled in the school corporation where the student has legal settlement for the purposes of computing ADM;

(2) a double up for college program under IC 21-43-5 is considered a student enrolled in the school corporation where the student has legal settlement for the purposes of computing ADM;

~~(2)~~ **(3)** a high school fast track to college program under IC 21-43-6 shall be counted in the ADM of the school corporation where the student has legal settlement if the student would be counted in the ADM of the school corporation had the student enrolled in the school corporation; or

~~(3)~~ **(4)** a high school fast track to college program under IC 21-43-7 shall be counted in the ADM of the school corporation where the student has legal settlement if the student would be counted in the ADM of the school corporation had the student enrolled in the school corporation.

SECTION 64. IC 21-43-5-2, AS ADDED BY SEA 526-2007, SECTION 284, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. The double up for college program is established for secondary school students in grades 11 and 12. School corporations and state educational institutions may collaborate to offer:

(1) early college;

(2) dual credit; or

(3) dual enrollment;

programs that meet the educational objectives of the school corporation and are offered by the state educational institutions **in secondary school locations.**

SECTION 65. IC 21-43-5-6, AS ADDED BY SEA 526-2007, SECTION 284, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) ~~The Courses offered under the program may include a course that is~~ **must be** listed in the:

(1) statewide core transfer library courses that are transferable on all campuses of the state

educational institutions in accordance with the principles in IC 21-42-5-4; or

(2) articulation agreements that apply to any campus in the Ivy Tech Community College of Indiana system and to Vincennes University and draw from liberal arts and the technical, professional, and occupational fields.

(b) If a student passes a course through the program that is part of an articulation agreement between the state educational institution offering the course and other state educational institutions, the course shall transfer under the terms and standards of the articulation agreement between the state educational institutions.

SECTION 66. IC 21-43-5-10, AS ADDED BY SEA 526-2007, SECTION 284, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. A state educational institution may grant financial assistance, **including a waiver of tuition not otherwise covered by IC 21-14-8**, to a student for courses taken under this program based on:

(1) the student's financial need;

(2) the student's academic achievement; or

(3) any other criteria.

SECTION 67. 21-43-5-14 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 14. Ivy Tech Community College is entitled to reimbursement for the costs incurred to deliver courses under this chapter that are taken:**

(1) **at an Ivy Tech Community College site; and**

(2) **by a student for whom Ivy Tech Community College has waived tuition under this chapter or IC 21-14-8.**

The school corporation in which the student described in subdivision (2) resides shall pay the individual's tuition to Ivy Tech Community College for each year the student is included in the school corporation's ADM.

SECTION 68. IC 22-4-26-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) Money credited to the account of this state in the unemployment trust fund by the Secretary of the Treasury of the United States pursuant to 42 U.S.C. 1103, as amended, may be requisitioned and used for the payment of expenses incurred for the administration of this article and public employment offices pursuant to a specific appropriation by the general assembly, provided that the expenses are incurred and the money is requisitioned after the enactment of an appropriation statute which:

(1) specifies the purposes for which such money is appropriated and the amounts appropriated therefor;

(2) except as provided in subsection (i), limits the period within which such money may be obligated to a period ending not more than two (2) years after the date of the enactment of the appropriation statute; and

(3) limits the total amount which may be obligated during a twelve (12) month period beginning on July 1 and ending on the next June 30 to an amount which does not exceed the amount by which:

(A) the aggregate of the amounts credited to the account of this state pursuant to 42 U.S.C. 1103, as amended, during such twelve (12) month period and the twenty-four (24) preceding twelve (12) month periods; exceeds

(B) the aggregate of the amounts obligated by this state pursuant to this section and amounts paid out for benefits and charged against the amounts credited to the account of this state during such twenty-five (25) twelve (12) month periods.

(b) For the purposes of this section, amounts obligated by this state during any such twelve (12) month period shall be charged against equivalent amounts which were first credited and which have not previously been so charged, except that no amount obligated for administration of this article and

public employment offices during any such twelve (12) month period may be charged against any amount credited during such twelve (12) month period earlier than the fourteenth preceding such twelve (12) month period.

(c) Amounts credited to the account of this state pursuant to 42 U.S.C. 1103, as amended, may not be obligated except for the payment of cash benefits to individuals with respect to their unemployment and for the payment of expenses incurred for the administration of this article and public employment offices pursuant to this section.

(d) Money appropriated as provided in this section for the payment of expenses incurred for the administration of this article and public employment offices pursuant to this section shall be requisitioned as needed for payment of obligations incurred under such appropriation and upon requisition shall be deposited in the employment and training services administration fund but, until expended, shall remain a part of the unemployment insurance benefit fund. The commissioner shall maintain a separate record of the deposit, obligation, expenditure, and return of funds so deposited. If any money so deposited is for any reason not to be expended for the purpose for which it was appropriated, or if it remains unexpended at the end of the period specified by the statute appropriating such money, it shall be withdrawn and returned to the Secretary of the Treasury of the United States for credit to this state's account in the unemployment trust fund.

(e) There is appropriated out of the funds made available to Indiana under Section 903 of the Social Security Act, as amended by Section 209 of the Temporary Extended Unemployment Compensation Act of 2002 (which is Title II of the federal Jobs Creation and Worker Assistance Act of 2002, Pub.L107-147), seventy-two million two hundred thousand dollars (\$72,200,000) to the department of workforce development. The appropriation made by this subsection is available for ten (10) state fiscal years beginning with the state fiscal year beginning July 1, 2003. Unencumbered money at the end of a state fiscal year does not revert to the state general fund.

(f) Money appropriated under subsection (e) is subject to the requirements of IC 22-4-37-1.

(g) Money appropriated under subsection (e) may be used only for the following purposes:

(1) The administration of the Unemployment Insurance (UI) program and the Wagner Peyser public employment office program.

(2) Acquiring land and erecting buildings for the use of the department of workforce development.

(3) Improvements, facilities, paving, landscaping, and equipment repair and maintenance that may be required by the department of workforce development.

(h) In accordance with the requirements of subsection (g), the department of workforce development may allocate up to the following amounts from the amount described in subsection (e) for the following purposes:

(1) Thirty-nine million two hundred thousand dollars (\$39,200,000) to be used for the modernization of the Unemployment Insurance (UI) system beginning July 1, 2003, and ending June 30, 2013.

(2) For:

(A) the state fiscal year beginning after June 30, 2003, and ending before July 1, 2004, five million dollars (\$5,000,000);

(B) the state fiscal year beginning after June 30, 2004, and ending before July 1, 2005, five million dollars (\$5,000,000);

(C) the state fiscal year beginning after June 30, 2005, and ending before July 1, 2006, five million dollars (\$5,000,000);

(D) the state fiscal year beginning after June 30, 2006, and ending before July 1, 2007, five million dollars (\$5,000,000); ~~and~~

(E) the state fiscal year beginning after June 30, 2007, and ending before July 1, 2008, five million dollars (\$5,000,000); ~~and~~

(F) state fiscal years beginning after June 30, 2008, and ending before July 1, 2012, the

1 **unused part of any amount allocated in any year for any purpose under this subsection;**
2 for the JOBS proposal to meet the workforce needs of Indiana employers in high wage, high skill,
3 high demand occupations.

4 (3) For:

5 (A) the state fiscal year beginning after June 30, 2003, and ending before July 1, 2004, four
6 million dollars (\$4,000,000);

7 (B) the state fiscal year beginning after June 30, 2004, and ending before July 1, 2005, four
8 million dollars (\$4,000,000);

9 to be used by the workforce investment boards in the administration of Indiana's public
10 employment offices.

11 (i) The amount appropriated under subsection (e) for the payment of expenses incurred in the
12 administration of this article and public employment is not required to be obligated within the two (2)
13 year period described in subsection (a)(2).

14 SECTION 69. IC 33-37-5-21 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
15 2007]: Sec. 21. (a) This section applies to all civil, criminal, infraction, and ordinance violation
16 actions.

17 (b) The clerk shall collect ~~the following~~ **a seven dollar (\$7)** automated record keeping fee.

18 (1) Seven dollars (\$7) after June 30, 2003, and before July 1, ~~2009~~ **2011**.

19 (2) Four dollars (\$4) after June 30, ~~2009~~ **2011**.

20 SECTION 70. IC 34-30-2-83.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO**
21 **READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 83.5. IC 16-41-42-6 (Concerning**
22 **members of the spinal cord and brain injury research board).**

23 SECTION 71. IC 35-38-4-7 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO**
24 **READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) This section applies to state**
25 **reimbursement of expenses for conducting a new trial if:**

26 (1) **a defendant is convicted of an offense in a criminal proceeding conducted in a trial**
27 **court;**

28 (2) **the defendant appeals the defendant's conviction to the Indiana court of appeals or**
29 **Indiana supreme court; and**

30 (3) **the court of appeals or supreme court remands the case to the trial court for a new trial.**

31 (b) Subject to subsection (d), the state shall reimburse the trial court, the prosecuting
32 attorney, and, if the defendant is represented by a public defender, the public defender for
33 expenses:

34 (1) **incurred by the trial court, prosecuting attorney, and public defender in conducting a**
35 **new trial described in subsection (a); and**

36 (2) **that would ordinarily be paid by the county in which the trial court is located.**

37 (c) The expenses of a trial court, prosecuting attorney, and public defender reimbursed under
38 this section:

39 (1) **may not include any salary or other remuneration paid to a trial court judge,**
40 **prosecuting attorney, deputy prosecuting attorney, or public defender; and**

41 (2) **must be paid from money in the state general fund.**

42 (d) The office division of state court administration (IC 33-24-6-1) shall administer a
43 program to pay claims for reimbursement under this section. The maximum amount that may
44 be reimbursed for all proceedings and all offenses arising out of the same facts is fifty thousand
45 dollars (\$50,000). The maximum amount that may paid in any particular year for all expenses
46 otherwise eligible for reimbursement under this section is one million dollars (\$1,000,000). If the
47 total of all claims that would otherwise be eligible for reimbursement under this section exceed
48 the maximum amount that may be reimbursed under this subsection, the division of state court
49 administration shall prorate reimbursement of eligible expenses, as determined by the division

1 **of state court administration.**

2 SECTION 72. IC 4-13-2-20, AS AMENDED BY SEA 526-2007, SECTION 36, IS AMENDED
3 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20. (a) Except as otherwise provided
4 in this section, IC 12-17-19-19, or IC 12-8-10-7, payment for any services, supplies, materials, or
5 equipment shall not be paid from any fund or state money in advance of receipt of such services,
6 supplies, materials, or equipment by the state.

7 (b) With the prior approval of the budget agency, payment may be made in advance for any of the
8 following:

9 (1) War surplus property.

10 (2) Property purchased or leased from the United States government or its agencies.

11 (3) Dues and subscriptions.

12 (4) License fees.

13 (5) Insurance premiums.

14 (6) Utility connection charges.

15 (7) Federal grant programs where advance funding is not prohibited and, except as provided in
16 subsection (i), the contracting party posts sufficient security to cover the amount advanced.

17 (8) Grants of state funds authorized by statute.

18 (9) Employee expense vouchers.

19 (10) Beneficiary payments to the administrator of a program of self-insurance.

20 (11) Services, supplies, materials, or equipment to be received from an agency or from a body
21 corporate and politic.

22 (12) Expenses for the operation of offices that represent the state under contracts with the Indiana
23 economic development corporation and that are located outside Indiana.

24 (13) Services, supplies, materials, or equipment to be used for more than one (1) year under a
25 discounted contractual arrangement funded through a designated leasing entity.

26 (14) Maintenance of equipment and maintenance of software if there are appropriate contractual
27 safeguards for refunds as determined by the budget agency.

28 (15) Exhibits, artifacts, specimens, or other unique items of cultural or historical value or interest
29 purchased by the state museum.

30 (c) Any agency and any state educational institution may make advance payments to its employees
31 for duly accountable expenses exceeding ten dollars (\$10) incurred through travel approved by:

32 (1) the employee's respective agency director, in the case of an agency; and

33 (2) a duly authorized person, in the case of any state educational institution.

34 (d) The auditor of state may, with the approval of the budget agency and of the commissioner of
35 the Indiana department of administration:

36 (1) appoint a special disbursing officer for any agency or group of agencies whenever it is
37 necessary or expedient that a special record be kept of a particular class of disbursements or when
38 disbursements are made from a special fund; and

39 (2) approve advances to the special disbursing officer or officers from any available appropriation
40 for the purpose.

41 (e) The auditor of state shall issue the auditor's warrant to the special disbursing officer to be
42 disbursed by the disbursing officer as provided in this section. Special disbursing officers shall in no
43 event make disbursements or payments for supplies or current operating expenses of any agency or
44 for contractual services or equipment not purchased or contracted for in accordance with this chapter
45 and IC 5-22. No special disbursing officer shall be appointed and no money shall be advanced until
46 procedures covering the operations of special disbursing officers have been adopted by the Indiana
47 department of administration and approved by the budget agency. These procedures must include the
48 following provisions:

49 (1) Provisions establishing the authorized levels of special disbursing officer accounts and
50 establishing the maximum amount which may be expended on a single purchase from special

1 disbursing officer funds without prior approval.

2 (2) Provisions requiring that each time a special disbursing officer makes an accounting to the
3 auditor of state of the expenditure of the advanced funds, the auditor of state shall request that
4 the Indiana department of administration review the accounting for compliance with IC 5-22.

5 (3) A provision that, unless otherwise approved by the commissioner of the Indiana department
6 of administration, the special disbursing officer must be the same individual as the procurements
7 agent under IC 4-13-1.3-5.

8 (4) A provision that each disbursing officer be trained by the Indiana department of
9 administration in the proper handling of money advanced to the officer under this section.

10 (f) The commissioner of the Indiana department of administration shall cite in a letter to the special
11 disbursing officer the exact purpose or purposes for which the money advanced may be expended.

12 (g) A special disbursing officer may issue a check to a person without requiring a certification
13 under IC 5-11-10-1 if the officer:

14 (1) is authorized to make the disbursement; and

15 (2) complies with procedures adopted by the state board of accounts to govern the issuance of
16 checks under this subsection.

17 (h) A special disbursing officer is not personally liable for a check issued under subsection (g) if:

18 (1) the officer complies with the procedures described in subsection (g); and

19 (2) funds are appropriated and available to pay the warrant.

20 (i) For contracts entered into between the department of workforce development or the Indiana
21 commission ~~on vocational for career~~ and technical education and:

22 (1) a school corporation (as defined in IC 20-18-2-16); or

23 (2) a state educational institution;

24 the contracting parties are not required to post security to cover the amount advanced.

25 SECTION 73. IC 4-23-20-3, AS AMENDED BY P.L.161-2006, SECTION 2, AND AS
26 AMENDED BY P.L.141-2006, SECTION 6, IS CORRECTED AND AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. The committee consists of at least six (6) members
28 appointed by the governor and must include representatives of the following:

29 (1) The Indiana economic development corporation.

30 (2) The department of workforce development.

31 (3) The division of disability ~~aging~~, and rehabilitative services.

32 (4) The commission ~~on vocational for career~~ and technical education of the department of
33 workforce development.

34 (5) The state ~~human resource investment~~ *workforce innovation* council.

35 (6) The department of education.

36 SECTION 74. IC 21-18-1-7, AS ADDED BY SEA 526-2007, SECTION 259, IS AMENDED TO
37 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. "~~Vocational~~ **Career and technical**
38 education" means any postsecondary vocational, agricultural, occupational, manpower, employment,
39 or technical training or retraining of less than a baccalaureate level that:

40 (1) is offered by a state educational institution; and

41 (2) enhances an individual's career potential.

42 SECTION 75. IC 21-18-6-1, AS ADDED BY SEA 526-2007, SECTION 259, IS AMENDED TO
43 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The general purposes of the commission
44 are the following:

45 (1) Plan for and coordinate Indiana's state supported system of postsecondary education.

46 (2) Review appropriation requests of state educational institutions.

47 (3) Make recommendations to the governor, budget agency, or the general assembly concerning
48 postsecondary education.

49 (4) Perform other functions assigned by the governor or the general assembly, except those

functions specifically assigned by law to the commission ~~on vocational~~ **for career** and technical education.

SECTION 76. IC 21-18-10-1, AS ADDED BY SEA 526-2007, SECTION 259, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The commission may consult with and make recommendations to the commission ~~on vocational~~ **for career** and technical education on all postsecondary ~~vocational career and technical~~ education programs.

SECTION 77. IC 21-18-10-2, AS ADDED BY SEA 526-2007, SECTION 259, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 2. The commission shall biennially prepare a plan for implementing postsecondary ~~vocational career and technical~~ education programming after considering the long range state plan developed under IC 22-4.1-13-9. The commission shall submit the ~~vocational education~~ plan to the commission ~~on vocational~~ **for career** and technical education for its review and recommendations. The commission shall specifically report on how the ~~vocational education~~ plan addresses preparation for employment.

SECTION 78. IC 21-18-10-3, AS ADDED BY SEA 526-2007, SECTION 259, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 3. The commission may also make recommendations to the general assembly concerning the ~~vocational education~~ plan **under section 2 of this chapter.**

SECTION 79. IC 21-18-10-4, AS ADDED BY SEA 526-2007, SECTION 259, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 4. The commission may submit to the commission ~~on vocational~~ **for career** and technical education for its review under IC 22-4.1-13-15 the legislative budget requests prepared by state educational institutions for state and federal funds for ~~vocational career and technical~~ education. These budget requests must:

- (1) be prepared upon request of the budget director;
- (2) cover the period determined by the budget director; and
- (3) be made available to the commission ~~on vocational~~ **for career** and technical education before review by the budget committee.

SECTION 80. IC 21-18-10-5, AS ADDED BY SEA 526-2007, SECTION 259, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 5. The commission may:

- (1) make or cause to be made studies of the needs for various types of postsecondary ~~vocational career and technical~~ education; and
- (2) submit to the commission ~~on vocational~~ **for career** and technical education the commission's findings in this regard.

SECTION 81. IC 21-18-10-6, AS ADDED BY SEA 526-2007, SECTION 259, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 6. (a) The commission may develop a definition for and report biennially to the:

- (1) general assembly;
- (2) governor; and
- (3) commission ~~on vocational~~ **for career** and technical education within the department of workforce development;

on attrition and persistence rates by students enrolled in state ~~vocational career and technical~~ education.

(b) A report under this section to the general assembly must be in an electronic format under IC 5-14-6.

SECTION 82. IC 21-43-30-5, AS ADDED BY SEA 526-2007, SECTION 284, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 5. The Indiana commission ~~on vocational~~ **for career** and technical education shall do the following:

- (1) Provide opportunities for adult learners to achieve a postsecondary level certificate of achievement.
- (2) Adopt rules under IC 4-22-2 to implement this chapter in accordance with the

1 recommendations of the workforce proficiency panel concerning standards for the certificates of
2 achievement.

3 SECTION 83. IC 21-42-2-2, AS ADDED BY SEA 526-2007, SECTION 283, IS AMENDED TO
4 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 2. A state educational institution may award
5 advanced standing to a student who has successfully completed ~~vocational~~ **career and technical**
6 education courses at another postsecondary institution or at a secondary school. However, the state
7 educational institution may require the student to successfully complete:

- 8 (1) equivalency testing;
- 9 (2) testing of competency; or
- 10 (3) an additional course;

11 in the subject area before awarding credit for those ~~vocational~~ **career and technical** education
12 courses.

13 SECTION 84. IC 21-42-2-3, AS ADDED BY SEA 526-2007, SECTION 283, IS AMENDED TO
14 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 3. A state educational institution and:

- 15 (1) a school corporation; or
- 16 (2) another postsecondary institution;

17 may enter into a contract providing the terms and conditions under which the state educational
18 institution will award advanced standing to a student who has successfully completed ~~vocational~~
19 **career and technical** education courses offered by the school corporation or other postsecondary
20 institution.

21 SECTION 85. IC 21-22-6-8, AS ADDED BY SEA 526-2007, SECTION 263, IS AMENDED TO
22 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007] Sec. 8. A regional board shall do the following:

- 23 (1) Make a careful analysis of the educational needs and opportunities of the region.
- 24 (2) Develop and recommend to the state board of trustees, a plan for providing postsecondary:
 - 25 (A) general education;
 - 26 (B) liberal arts education; and
 - 27 (C) occupational and technical education;
- 28 for the residents of that region.
- 29 (3) Develop and recommend a budget for regional programs and operations.
- 30 (4) Identify and recommend alternative methods of acquiring or securing facilities and equipment
31 necessary for the delivery of effective regional programs.
- 32 (5) Facilitate and develop regional cooperation with employers, community leaders, economic
33 development efforts, area ~~vocational~~ **career and technical education** centers, and other public
34 and private education and training entities in order to provide postsecondary general, liberal arts,
35 and occupational and technical education and training in an efficient and cost effective manner
36 and to avoid duplication of services.
- 37 (6) Determine through evaluation, studies, or assessments the degree to which the established
38 training needs of the region are being met.
- 39 (7) Make recommendations to the state board of trustees concerning policies that appear to
40 substantially affect the regional board's capacity to deliver effective and efficient programming.

41 SECTION 86. IC 20-18-2-26, AS ADDED BY P.L.1-2005, SECTION 2, IS AMENDED TO READ
42 AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 26. (a) "Transferred student" means a student
43 attending school in a school corporation in which the student does not have legal settlement.

44 (b) For purposes of subsection (a), a student is considered attending school in a school corporation
45 when:

- 46 (1) the student is confined by a disability to a place outside the school corporation's facilities and
47 receives instruction from school corporation personnel;
- 48 (2) the student attends a special **education school** or ~~vocational~~ **career and technical** education
49 school in which the school corporation of the student's legal settlement provides cooperatively

1 a portion of the cost; or

2 (3) the student is in another similar situation.

3 SECTION 87. IC 20-19-2-17, AS ADDED BY P.L.1-2005, SECTION 3, IS AMENDED TO READ
4 AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. The provisions of an act of Congress entitled
5 "An act to provide for the promotion of vocational education; to provide for cooperation with the states
6 in the promotion of such education in agriculture and the trades and industries; to provide for
7 cooperation with the states in the preparation of teachers of ~~vocational~~ **career and technical**
8 **education** subjects; and to appropriate money and regulate its expenditure," are accepted by the state
9 as to the following:

10 (1) Appropriations for the salaries of:

11 (A) teachers;

12 (B) supervisors; or

13 (C) directors;

14 of agricultural subjects.

15 (2) Appropriations for salaries for teachers of trade and industrial subjects.

16 (3) Appropriations for the training of teachers of ~~vocational~~ **career and technical education**
17 subjects.

18 SECTION 88. IC 20-19-2-18, AS ADDED BY P.L.1-2005, SECTION 3, IS AMENDED TO READ
19 AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. (a) The treasurer of state is designated as the
20 custodian for ~~vocational~~ **career and technical** education.

21 (b) The treasurer of state shall do the following:

22 (1) Receive money paid to the state from the United States treasury under the act of Congress
23 described in section 17 of this chapter.

24 (2) Pay the money described in subdivision (1), upon the warrant of the auditor of state, when the
25 money is certified by the state board.

26 SECTION 89. IC 20-19-2-19, AS ADDED BY P.L.1-2005, SECTION 3, IS AMENDED TO READ
27 AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 19. The state board:

28 (1) is designated as the state agency to carry out the provisions of the act of Congress described
29 in section 17 of this chapter, so far as the act relates to the cooperation of the state and federal
30 government; and

31 (2) may take all necessary steps in:

32 (A) forming plans to promote education in agriculture, trades, and industries; and

33 (B) forming and executing plans to prepare teachers of ~~vocational~~ **career and technical**
34 subjects.

35 SECTION 90. IC 20-20-1-2, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ
36 AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) As used in this chapter, "educational service
37 center" means an extended agency of school corporations that:

38 (1) operates under rules established by the state board;

39 (2) is the administrative and operational unit that serves a definitive geographical boundary; and

40 (3) allows school corporations to voluntarily cooperate and share programs and services that the
41 school corporations cannot individually provide but collectively may implement.

42 (b) Programs and services collectively implemented through an educational service center may
43 include, but are not limited to, the following:

44 (1) Curriculum development.

45 (2) Pupil personnel and special education services.

46 (3) In-service education.

47 (4) State-federal liaison services.

48 (5) Instructional materials and multimedia services.

49 (6) ~~Vocational~~ **and Career and technical** education.

- (7) Purchasing and financial management.
- (8) Needs assessment.
- (9) Computer use.
- (10) Research and development.

SECTION 91. IC 20-20-8-8, AS AMENDED BY P.L.185-2006, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. The report must include the following information:

- (1) Student enrollment.
- (2) Graduation rate (as defined in IC 20-26-13-6).
- (3) Attendance rate.
- (4) The following test scores, including the number and percentage of students meeting academic standards:
 - (A) ISTEP program test scores.
 - (B) Scores for assessments under IC 20-32-5-21, if appropriate.
 - (C) For a freeway school, scores on a locally adopted assessment program, if appropriate.
- (5) Average class size.
- (6) The number and percentage of students in the following groups or programs:
 - (A) Alternative education, if offered.
 - (B) ~~Vocational~~ **Career and technical** education.
 - (C) Special education.
 - (D) Gifted or talented **education**, if offered.
 - (E) Remediation.
 - (F) Limited English language proficiency.
 - (G) Students receiving free or reduced price lunch under the national school lunch program.
 - (H) School flex program, if offered.
- (7) Advanced placement, including the following:
 - (A) For advanced placement tests, the percentage of students:
 - (i) scoring three (3), four (4), and five (5); and
 - (ii) taking the test.
 - (B) For the Scholastic Aptitude Test:
 - (i) test scores for all students taking the test;
 - (ii) test scores for students completing the academic honors diploma program; and
 - (iii) the percentage of students taking the test.
- (8) Course completion, including the number and percentage of students completing the following programs:
 - (A) Academic honors diploma.
 - (B) Core 40 curriculum.
 - (C) ~~Vocational~~ **Career and technical** programs.
- (9) The percentage of grade 8 students enrolled in algebra I.
- (10) The percentage of graduates who pursue higher education.
- (11) School safety, including:
 - (A) the number of students receiving suspension or expulsion for the possession of alcohol, drugs, or weapons; and
 - (B) the number of incidents reported under IC 20-33-9.
- (12) Financial information and various school cost factors, including the following:
 - (A) Expenditures per pupil.
 - (B) Average teacher salary.
 - (C) Remediation funding.
- (13) Technology accessibility and use of technology in instruction.

- (14) Interdistrict and intradistrict student mobility rates, if that information is available.
- (15) The number and percentage of each of the following within the school corporation:
 - (A) Teachers who are certificated employees (as defined in IC 20-29-2-4).
 - (B) Teachers who teach the subject area for which the teacher is certified and holds a license.
 - (C) Teachers with national board certification.
- (16) The percentage of grade 3 students reading at grade 3 level.
- (17) The number of students expelled, including the number participating in other recognized education programs during their expulsion.
- (18) Chronic absenteeism, which includes the number of students who have been absent more than ten (10) days from school within a school year without being excused.
- (19) The number of students who have dropped out of school, including the reasons for dropping out.
- (20) The number of student work permits revoked.
- (21) The number of student driver's licenses revoked.
- (22) The number of students who have not advanced to grade 10 due to a lack of completed credits.
- (23) The number of students suspended for any reason.
- (24) The number of students receiving an international baccalaureate diploma.
- (25) Other indicators of performance as recommended by the education roundtable under IC 20-19-4.

SECTION 92. IC 20-20-13-6, AS AMENDED BY P.L.2-2006, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) The educational technology program and fund is established to provide and extend educational technologies to elementary and secondary schools for:

- (1) the 4R's technology grant program to assist school corporations (on behalf of public schools) in purchasing technology equipment:
 - (A) for kindergarten and grade 1 students, to learn reading, writing, and arithmetic using technology;
 - (B) for students in all grades, to understand that technology is a tool for learning; and
 - (C) for students in kindergarten through grade 3 who have been identified as needing remediation, to offer daily remediation opportunities using technology to prevent those students from failing to make appropriate progress at the particular grade level;
- (2) providing educational technologies, including computers in the homes of students;
- (3) conducting educational technology training for teachers; and
- (4) other innovative educational technology programs.

(b) The department may also use money in the fund under contracts entered into with the office of technology established by IC 4-13.1-2-1 to study the feasibility of establishing an information telecommunications gateway that provides access to information on employment opportunities, career development, and instructional services from data bases operated by the state among the following:

- (1) Elementary and secondary schools.
- (2) Institutions of higher learning.
- (3) ~~Vocational~~ **Career and technical** educational **centers and** institutions.
- (4) Libraries.
- (5) Any other agencies offering education and training programs.

(c) The fund consists of:

- (1) state appropriations;
- (2) private donations to the fund;
- (3) money directed to the fund from the corporation for educational technology under IC 20-20-15; or
- (4) any combination of the amounts described in subdivisions (1) through (3).

(d) The program and fund shall be administered by the department.

(e) Unexpended money appropriated to or otherwise available in the fund for the department's use in implementing the program under this chapter at the end of a state fiscal year does not revert to the state general fund but remains available to the department for use under this chapter.

(f) Subject to section 7 of this chapter, a school corporation may use money from the school corporation's capital projects fund as permitted under IC 20-40-8 for educational technology equipment.

SECTION 93. IC 20-20-20-1, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. As used in this chapter, "commission" refers to the Indiana commission ~~on vocational~~ **for career and technical** education of the department of workforce development established by IC 22-4.1-13-6.

SECTION 94. IC 20-20-20-2, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. As used in this chapter, "~~vocational~~ **career and technical** education" means any secondary level vocational, agricultural, occupational, manpower, or technical training or retraining that:

- (1) enhances an individual's career potential and further education; and
- (2) is accessible to individuals who desire to explore and learn for economic and personal growth leading to employment opportunities.

SECTION 95. IC 20-20-20-3, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) The state board shall do the following:

- (1) Establish and monitor the operation of secondary level ~~vocational~~ **career and technical** education in Indiana in accordance with the comprehensive long range state plan developed by the commission under IC 22-4.1-13-9.
- (2) Establish a list of approved secondary level ~~vocational~~ **career and technical** education courses in accordance with the workforce partnership plans under IC 22-4.1-14.

(b) The state board may authorize the department, whenever practical or necessary, to assist in carrying out the duties prescribed by this chapter.

(c) The state board shall do the following:

- (1) Implement, to the best of its ability, its ~~vocational~~ **career and technical** education plan prepared under section 4 of this chapter.
- (2) Investigate the funding of ~~vocational~~ **career and technical** education on a cost basis.
- (3) Cooperate with the commission in implementing the long range plan prepared by the commission under IC 22-4.1-13-9.

SECTION 96. IC 20-20-20-4, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. The state board shall biennially prepare a plan for implementing ~~vocational~~ **career and technical** education and shall submit the plan to the commission for its review and recommendations.

SECTION 97. IC 20-20-20-5, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. The state board shall make recommendations to the commission on all secondary level ~~vocational~~ **career and technical** education.

SECTION 98. IC 20-20-20-6, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. Upon request of the budget director, the department shall prepare a legislative budget request for state and federal funds for ~~vocational~~ **career and technical** education. The budget director shall determine the period to be covered by the budget request. This budget request shall be made available to the commission under IC 22-4.1-13-15 before review by the budget committee.

SECTION 99. IC 20-20-20-7, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. The department shall distribute state funds made available for ~~vocational~~ **career and technical** education that have been appropriated by the general

1 assembly in accordance with the general assembly appropriation and the plan prepared by the state
2 board under section 4 of this chapter.

3 SECTION 100. IC 20-20-20-8, AS ADDED BY P.L.1-2005, SECTION 4, IS AMENDED TO
4 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. The state board shall develop a definition
5 for and report biennially to the:

- 6 (1) general assembly;
- 7 (2) governor; and
- 8 (3) commission;

9 on attrition and persistence rates by students enrolled in secondary ~~vocational~~ **career and technical**
10 education. A biennial report under this section to the general assembly must be in an electronic format
11 under IC 5-14-6.

12 SECTION 101. IC 20-22-2-12, AS ADDED BY P.L.1-2005, SECTION 6, IS AMENDED TO
13 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. The school may establish a ~~vocational~~
14 **career and technical** work-study program.

15 SECTION 102. IC 20-25-4-17, AS ADDED BY P.L.1-2005, SECTION 9, IS AMENDED TO
16 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 17. (a) If a school city acquires title to or
17 possession of real estate, buildings, and personal property in the school city by gift or donation, and
18 the real estate, building, or personal property was used as an industrial or trade school for the
19 education of youths in the trades of:

- 20 (1) printing;
- 21 (2) lithography;
- 22 (3) machine making;
- 23 (4) molding;
- 24 (5) typesetting;
- 25 (6) bricklaying;
- 26 (7) tile setting;
- 27 (8) pattern making;
- 28 (9) pharmacy; or
- 29 (10) other trades or occupations;

30 the board may, by the use of the board's school funds, maintain and operate the industrial or trade
31 school or schools.

32 (b) If real estate, a building, or personal property is acquired by the school city under subsection
33 (a), the board shall:

- 34 (1) perform any conditions incident to the school city's acquisition of the property;
- 35 (2) maintain and operate the trade school and real estate, building, or personal property;
- 36 (3) employ competent instructors in the various subjects to be taught;
- 37 (4) purchase all necessary tools, implements, supplies, and apparatus; and
- 38 (5) establish general rules and requirements for:
 - 39 (A) admission of pupils to the school or schools;
 - 40 (B) the courses of instruction; and
 - 41 (C) the conduct of the trade or industrial schools;

42 that, in the board's judgment, will produce the best results and give instruction to the largest
43 practicable number of students.

44 The school city may also use the real estate, building, or personal property acquired under subsection
45 (a) for other school purposes, but not for any purpose that will materially interfere with the conduct
46 of the trade or industrial schools.

47 (c) The transfer tuition charge for each student who:

- 48 (1) is transferred to the school city from another school corporation in Indiana; and
- 49 (2) receives trade or industrial instruction in a trade or industrial school located on property
50 acquired under subsection (a);

1 must be the actual per capita cost of operating the school the student attends. However, the costs of
2 permanent improvements or additions, the salaries of the superintendents, or the costs of apparatus or
3 repairing broken or damaged apparatus may not be used in computing the actual per capita cost.

4 (d) If the school city admits a student to a trade school acquired by means described in this section
5 and the student is not, by law, entitled to school privileges, the tuition charge for the student may not
6 be greater than the per capita cost of operating the school the student attends. The cost of permanent
7 improvements and additions may not be included in computing the cost under this subsection.

8 (e) A school city may admit to the school city's ~~vocational~~, **career and technical**, trade, or
9 industrial schools nonresidents of Indiana. A nonresident student must pay reasonable laboratory and
10 shop fees and a tuition fee of not more than the per student cost to the school city conducting the
11 ~~vocational~~, **career and technical**, trade, or industrial schools. A return on capital invested in
12 buildings, grounds, or equipment may not be included in computing the per student cost under this
13 subsection.

14 SECTION 103. IC 20-25-4-18, AS ADDED BY P.L.1-2005, SECTION 9, IS AMENDED TO
15 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 18. (a) A school city may accept property
16 in trust to be used for common school or ~~vocational~~, **career and technical**, trade, or industrial school
17 purposes. The school city, whether made trustee by appointment of a court or by the founder of the
18 trust, may carry out the terms of the trust in conducting common schools or ~~vocational~~, **career and**
19 **technical**, trade, or industrial schools.

20 (b) If a school city by:

21 (1) resolution of; or

22 (2) other formal corporate action of;

23 the board accepts real estate or other property in trust under subsection (a), the school city shall
24 perform all requirements made conditions of the trust performable by the trustee.

25 SECTION 104. IC 20-26-10-1, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO
26 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. As used in sections 2 through 9 of this
27 chapter, "joint program" means the joint employment of personnel, joint purchase of supplies or other
28 material, or joint purchase or lease of equipment, joint lease of land or buildings, or both, or joint
29 construction of, remodeling of, or additions to school buildings, by two (2) or more school
30 corporations, for a particular program or purpose. The term includes the joint investment of money
31 under IC 5-13, data processing operations, ~~vocational~~ **career and technical** education, psychological
32 services, audiovisual services, guidance services, special education, and joint purchasing related to the
33 acquisition of supplies or equipment that are not to be used jointly.

34 SECTION 105. IC 20-26-11-13, AS AMENDED BY P.L.2-2006, SECTION 130, IS AMENDED
35 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. (a) As used in this section, the
36 following terms have the following meanings:

37 (1) "Class of school" refers to a classification of each school or program in the transferee
38 corporation by the grades or special programs taught at the school. Generally, these
39 classifications are denominated as kindergarten, elementary school, middle school or junior high
40 school, high school, and special schools or classes, such as schools or classes for special
41 education, ~~vocational training~~, **career and technical education**, or career education.

42 (2) "Special equipment" means equipment that during a school year:

43 (A) is used only when a child with disabilities is attending school;

44 (B) is not used to transport a child to or from a place where the child is attending school;

45 (C) is necessary for the education of each child with disabilities that uses the equipment, as
46 determined under the individualized education program for the child; and

47 (D) is not used for or by any child who is not a child with disabilities.

48 (3) "Student enrollment" means the following:

49 (A) The total number of students in kindergarten through grade 12 who are enrolled in a

transferee school corporation on a date determined by the state board.

(B) The total number of students enrolled in a class of school in a transferee school corporation on a date determined by the state board.

However, a kindergarten student shall be counted under clauses (A) and (B) as one-half (1/2) student. The state board may select a different date for counts under this subdivision. However, the same date shall be used for all school corporations making a count for the same class of school.

(b) Each transferee corporation is entitled to receive for each school year on account of each transferred student, except a student transferred under section 6 of this chapter, transfer tuition from the transferor corporation or the state as provided in this chapter. Transfer tuition equals the amount determined under STEP THREE of the following formula:

STEP ONE: Allocate to each transfer student the capital expenditures for any special equipment used by the transfer student and a proportionate share of the operating costs incurred by the transferee school for the class of school where the transfer student is enrolled.

STEP TWO: If the transferee school included the transfer student in the transferee school's ADM for a school year, allocate to the transfer student a proportionate share of the following general fund revenues of the transferee school for, except as provided in clause (C), the calendar year in which the school year ends:

- (A) State tuition support distributions.
- (B) Property tax levies.
- (C) Excise tax revenue (as defined in IC 20-43-1-12) received for deposit in the calendar year in which the school year begins.
- (D) Allocations to the transferee school under IC 6-3.5.

STEP THREE: Determine the greater of:

- (A) zero (0); or
- (B) the result of subtracting the STEP TWO amount from the STEP ONE amount.

If a child is placed in an institution or facility in Indiana under a court order, the institution or facility shall charge the county office of the county of the student's legal settlement under IC 12-19-7 for the use of the space within the institution or facility (commonly called capital costs) that is used to provide educational services to the child based upon a prorated per student cost.

(c) Operating costs shall be determined for each class of school where a transfer student is enrolled. The operating cost for each class of school is based on the total expenditures of the transferee corporation for the class of school from its general fund expenditures as specified in the classified budget forms prescribed by the state board of accounts. This calculation excludes:

- (1) capital outlay;
- (2) debt service;
- (3) costs of transportation;
- (4) salaries of board members;
- (5) contracted service for legal expenses; and
- (6) any expenditure that is made out of the general fund from extracurricular account receipts; for the school year.

(d) The capital cost of special equipment for a school year is equal to:

- (1) the cost of the special equipment; divided by
- (2) the product of:
 - (A) the useful life of the special equipment, as determined under the rules adopted by the state board; multiplied by
 - (B) the number of students using the special equipment during at least part of the school year.

(e) When an item of expense or cost described in subsection (c) cannot be allocated to a class of school, it shall be prorated to all classes of schools on the basis of the student enrollment of each class in the transferee corporation compared with the total student enrollment in the school corporation.

(f) Operating costs shall be allocated to a transfer student for each school year by dividing:

(1) the transferee school corporation's operating costs for the class of school in which the transfer student is enrolled; by

(2) the student enrollment of the class of school in which the transfer student is enrolled.

When a transferred student is enrolled in a transferee corporation for less than the full school year of student attendance, the transfer tuition shall be calculated by the part of the school year for which the transferred student is enrolled. A school year of student attendance consists of the number of days school is in session for student attendance. A student, regardless of the student's attendance, is enrolled in a transferee school unless the student is no longer entitled to be transferred because of a change of residence, the student has been excluded or expelled from school for the balance of the school year or for an indefinite period, or the student has been confirmed to have withdrawn from school. The transferor and the transferee corporation may enter into written agreements concerning the amount of transfer tuition due in any school year. If an agreement cannot be reached, the amount shall be determined by the state board, and costs may be established, when in dispute, by the state board of accounts.

(g) A transferee school shall allocate revenues described in subsection (b) STEP TWO to a transfer student by dividing:

(1) the total amount of revenues received; by

(2) the ADM of the transferee school for the school year that ends in the calendar year in which the revenues are received.

However, for state tuition support distributions or any other state distribution computed using less than the total ADM of the transferee school, the transferee school shall allocate the revenues to the transfer student by dividing the revenues that the transferee school is eligible to receive in a calendar year by the student count used to compute the state distribution.

(h) Instead of the payments provided in subsection (b), the transferor corporation or state owing transfer tuition may enter into a long term contract with the transferee corporation governing the transfer of students. The contract may:

(1) be entered into for a period of not more than five (5) years with an option to renew;

(2) specify a maximum number of students to be transferred; and

(3) fix a method for determining the amount of transfer tuition and the time of payment, which may be different from that provided in section 14 of this chapter.

(i) ~~If the A school corporation can meet the requirements of IC 20-43-9-8, it may negotiate transfer tuition agreements with a neighboring school corporation that can accommodate additional students. Agreements under this section may:~~

~~(1) be for one (1) year or longer; and~~

~~(2) fix a method for determining the amount of transfer tuition or time of payment that is different from the method, amount, or time of payment that is provided in this section or section 14 of this chapter.~~

A school corporation may not transfer a student under this section without the prior approval of the child's parent.

(j) If a school corporation experiences a net financial impact with regard to transfer tuition that is negative for a particular school year as described in IC 20-45-6-8, the school corporation may appeal for an excessive levy as provided under IC 20-45-6-8.

SECTION 106. IC 20-26-11-20, AS AMENDED BY P.L.2-2006, SECTION 131, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20. (a) As used in sections 19 through 29 of this chapter, "class of school" refers to a classification of each school in the transferee corporation by the grades taught therein (generally denominated as elementary schools, middle schools or junior high schools, high schools, and special schools such as schools for special education, ~~vocational training~~, **career and technical education**, or career education). Elementary schools include schools containing kindergarten, but for purposes of this chapter, a kindergarten student shall be

1 counted as one-half (1/2) student.

2 (b) As used in sections 19 through 29 of this chapter, "transferee corporation" means the school
3 corporation receiving students under a court order described in section 19 of this chapter.

4 (c) As used in sections 19 through 29 of this chapter, "transferor corporation" means the school
5 corporation transferring students under a court order described in section 19 of this chapter.

6 (d) As used in sections 19 through 29 of this chapter, "transferred student" means any student
7 transferred under a court order described in section 19 of this chapter.

8 SECTION 107. IC 20-28-2-2, AS ADDED BY P.L.246-2005, SECTION 138, IS AMENDED TO
9 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) The advisory board of the division
10 of professional standards is established to advise the superintendent, the board, the department, and
11 the division on matters concerning teacher education, licensing, and professional development. The
12 advisory board consists of nineteen (19) voting members.

13 (b) Except as otherwise provided, each voting member of the advisory board described in this
14 subsection must be actively employed by a school corporation. Eighteen (18) members shall be
15 appointed by the governor as follows:

16 (1) One (1) member must hold a license and be actively employed in a public school as an
17 Indiana school superintendent.

18 (2) Two (2) members must:

19 (A) hold licenses as public school principals;

20 (B) be actively employed as public school principals; and

21 (C) be employed at schools having dissimilar grade level configurations.

22 (3) One (1) member must:

23 (A) hold a license as a special education director; and

24 (B) be actively employed as a special education director in:

25 (i) a school corporation; or

26 (ii) a public school special education cooperative.

27 (4) One (1) member must be a member of the governing body of a school corporation but is not
28 required to be actively employed by a school corporation or to hold an Indiana teacher's license.

29 (5) Three (3) members must meet the following conditions:

30 (A) Represent Indiana teacher education units within Indiana public and private institutions
31 of higher education.

32 (B) Hold a teacher's license but not necessarily an Indiana teacher's license.

33 (C) Be actively employed by the respective teacher education units.

34 The members described in this subdivision are not required to be employed by a school
35 corporation.

36 (6) Nine (9) members must be licensed and actively employed as Indiana public school teachers
37 in the following categories:

38 (A) At least one (1) member must hold an Indiana standard early childhood education license.

39 (B) At least one (1) member must hold an Indiana teacher's license in elementary education.

40 (C) At least one (1) member must hold an Indiana teacher's license for middle/junior high
41 school education.

42 (D) At least one (1) member must hold an Indiana teacher's license in high school education.

43 (7) One (1) member must be a member of the business community in Indiana but is not required
44 to be actively employed by a school corporation or to hold an Indiana teacher's license.

45 (c) Each member described in subsection (b)(6) must be licensed and actively employed as a
46 practicing teacher in at least one (1) of the following areas to be appointed:

47 (1) At least one (1) member must be licensed in special education.

48 (2) At least one (1) member must be licensed in ~~vocational~~ **career and technical** education.

49 (3) At least one (1) member must be employed and licensed in student services, which may
50 include school librarians or psychometric evaluators.

1 (4) At least one (1) member must be licensed in social science education.
 2 (5) At least one (1) member must be licensed in fine arts education.
 3 (6) At least one (1) member must be licensed in English or language arts education.
 4 (7) At least one (1) member must be licensed in mathematics education.
 5 (8) At least one (1) member must be licensed in science education.
 6 (d) At least one (1) member described in subsection (b) must be a parent of a student enrolled in
 7 a public preschool or public school within a school corporation in either kindergarten or any of grades
 8 1 through 12.
 9 (e) The state superintendent shall serve as an ex officio voting member of the advisory board. The
 10 state superintendent may make recommendations to the governor as to the appointment of members
 11 on the advisory board.
 12 SECTION 108. IC 20-28-11-2, AS ADDED BY P.L.1-2005, SECTION 12, IS AMENDED TO
 13 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. Each:
 14 (1) school corporation;
 15 (2) school created by an interlocal agreement under IC 36-1-7;
 16 (3) special education cooperative under IC 20-35-5; and
 17 (4) cooperating school corporation for ~~vocational~~ **career and technical** education under
 18 IC 20-37-1;
 19 shall develop and implement a plan to evaluate the performance of each certificated employee (as
 20 defined in IC 20-29-2-4).
 21 SECTION 109. IC 20-29-2-12, AS ADDED BY P.L.1-2005, SECTION 13, IS AMENDED TO
 22 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. "School corporation" means a local
 23 public school corporation established under Indiana law. The term includes any:
 24 (1) school city;
 25 (2) school town;
 26 (3) school township;
 27 (4) consolidated school corporation;
 28 (5) metropolitan school district;
 29 (6) township school corporation;
 30 (7) county school corporation;
 31 (8) united school corporation;
 32 (9) community school corporation; and
 33 (10) public ~~vocational~~ **career and technical education center or** school or school for children
 34 with disabilities established or maintained by two (2) or more school corporations.
 35 SECTION 110. IC 20-30-9-7, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO
 36 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. The state superintendent may assist and
 37 stimulate school corporations in developing and establishing bilingual-bicultural educational services
 38 and programs specifically designed to improve educational opportunities for non-English dominant
 39 students. Funds may be used for the following:
 40 (1) To provide educational services not available to the non-English dominant students in
 41 sufficient quantity or quality, including:
 42 (A) remedial and compensatory instruction, psychological, and other services designed to
 43 assist and encourage non-English dominant students to enter, remain in, or reenter elementary
 44 or secondary school;
 45 (B) comprehensive academic **instruction** and ~~vocational~~ **career and technical** instruction;
 46 (C) instructional materials (such as library books, textbooks, and other printed or published
 47 or audiovisual materials) and equipment;
 48 (D) comprehensive guidance, counseling, and testing services;
 49 (E) special education programs for persons with disabilities;

1 (F) preschool programs; and
2 (G) other services that meet the purposes of this subdivision.

3 (2) ~~For the establishment and operation of~~ **To establish and operate** exemplary and innovative
4 educational programs and resource centers that involve new educational approaches, methods,
5 and techniques designed to enrich programs of elementary and secondary education for
6 non-English dominant students.

7 SECTION 111. IC 21-43-1-5, AS ADDED BY SEA 526-2007, SECTION 253, IS AMENDED TO
8 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. "Postsecondary credit":
9 (1) for purposes of IC 21-43-2, means credit toward:
10 (A) an associate degree;
11 (B) a baccalaureate degree; or
12 (C) a ~~vocational~~ **career and technical education** certification;
13 granted by a state educational institution upon the successful completion of a course taken under
14 a program established under IC 21-43-2; and
15 (2) for purposes of IC 21-43-5, means credit toward:
16 (A) an associate degree;
17 (B) a baccalaureate degree; or
18 (C) a ~~vocational~~ **career and technical education** certification;
19 granted by a state educational institution upon the successful completion of a course taken under
20 a program established under IC 21-43-5.

21 SECTION 112. IC 20-30-15-1, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO
22 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. As used in this chapter, "agricultural
23 education" means the form of ~~vocational~~ **career and technical** education that prepares an individual
24 for the occupations connected with:
25 (1) the tillage of soil;
26 (2) the care of domestic animals;
27 (3) forestry; and
28 (4) other wage earning or productive work on the farm.

29 SECTION 113. IC 20-30-15-3, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO
30 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. As used in this chapter, "home
31 economics education" means the form of ~~vocational~~ **career and technical** education that prepares an
32 individual for occupations connected with the household.

33 SECTION 114. IC 20-30-15-4, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO
34 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. As used in this chapter, "industrial
35 education" means the form of ~~vocational~~ **career and technical** education that prepares an individual
36 for the trades, crafts, and wage earning pursuits. The term includes the occupations performed in
37 stores, workshops, and other establishments.

38 SECTION 115. IC 20-30-15-5, AS ADDED BY P.L.1-2005, SECTION 14, IS AMENDED TO
39 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. As used in this chapter, "~~vocational~~
40 **career and technical** education" means any education that has the major purpose of preparing an
41 individual for profitable employment.

42 SECTION 116. IC 20-32-3-13, AS ADDED BY P.L.1-2005, SECTION 16, IS AMENDED TO
43 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. The state board shall, in cooperation
44 with the Indiana commission ~~on vocational for~~ **career and technical** education within the department
45 of workforce development, adopt rules under IC 4-22-2 to implement this chapter, including rules
46 concerning the administration of the secondary level certificates of achievement by the department of
47 workforce development.

48 SECTION 117. IC 20-33-1-1, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO
49 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The following is the public policy of the

1 state:

2 (1) To provide equal, nonsegregated, nondiscriminatory educational opportunities and facilities
3 for all, regardless of race, creed, national origin, color, or sex.

4 (2) To provide and furnish public schools and common schools equally open to all and prohibited
5 and denied to none because of race, creed, color, or national origin.

6 (3) To reaffirm the principles of the Bill of Rights, civil rights, and the Constitution of the State
7 of Indiana.

8 (4) To provide for the state and the citizens of Indiana a uniform democratic system of public and
9 common school education.

10 (5) To abolish, eliminate, and prohibit segregated and separate schools or school districts on the
11 basis of race, creed, or color.

12 (6) To eliminate and prohibit segregation, separation, and discrimination on the basis of race,
13 color, or creed in the public kindergartens, common schools, public schools, ~~vocational career~~
14 **and technical education centers or** schools, colleges, and universities of Indiana.

15 SECTION 118. IC 20-33-3-29, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO
16 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 29. A child who is at least sixteen (16)
17 years of age and less than eighteen (18) years of age may be employed the same daily and weekly
18 hours and at the same times of day as adults if the child is a member of any of the following categories:

19 (1) The child is a high school graduate.

20 (2) The child has completed an approved ~~vocational~~ **career and technical education program**
21 or special education program.

22 (3) The child is not enrolled in a regular school term.

23 SECTION 119. IC 20-33-8-29, AS ADDED BY P.L.1-2005, SECTION 17, IS AMENDED TO
24 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 29. (a) As used in this section, "special
25 school" includes the following:

26 (1) A ~~vocational~~ **career and technical education** school.

27 (2) A special education school or program.

28 (3) An alternative school or program.

29 (b) To the extent possible, this chapter applies to a special school.

30 (c) The governing body of a special school may make necessary modifications to the
31 responsibilities of school personnel under this chapter to accommodate the administrative structure
32 of a special school.

33 (d) In addition to a disciplinary action imposed by a special school, the principal of the school
34 where a student is enrolled may without additional procedures adopt a disciplinary action or decision
35 of a special school as a disciplinary action of the school corporation.

36 SECTION 120. IC 20-34-3-19, AS ADDED BY P.L.1-2005, SECTION 18, IS AMENDED TO
37 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 19. (a) Each public school student and
38 teacher shall wear industrial quality eye protective devices at all times while participating in any of
39 the following courses:

40 (1) ~~Vocational or industrial arts shops or laboratories~~ **Career and technical education** involving
41 experience with:

42 (A) hot molten metals;

43 (B) milling, sawing, turning, shaping, cutting, or stamping of any solid material;

44 (C) heat treatment, tempering, or kiln firing of any metal or material;

45 (D) gas or electric arc welding;

46 (E) repair or servicing of any vehicle; or

47 (F) caustic or explosive materials.

48 (2) Chemical or combined chemical-physical laboratories involving caustic or explosive
49 chemicals or hot liquids or solids.

(b) Eye protective devices are of industrial quality if the devices meet the standards of the American standard safety code for head, eye, and respiratory protection, Z2.1-1959, promulgated by the American Standards Association, Inc.

SECTION 121. IC 20-35-2-1, AS AMENDED BY P.L.93-2006, SECTION 16, AND AS AMENDED BY P.L.141-2006, SECTION 96, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) There is established under the state board a division of special education. The division shall exercise all the power and duties set out in this chapter, IC 20-35-3 through IC 20-35-6, and IC 20-35-8.

(b) The governor shall appoint, upon the recommendation of the state superintendent, a director of special education who serves at the pleasure of the governor. The amount of compensation of the director shall be determined by the budget agency with the approval of the governor. The director has the following duties:

(1) To do the following:

(A) Have general supervision of all programs, classes, and schools for children with disabilities, including those conducted by public schools, the Indiana School for the Blind and Visually Impaired, the Indiana School for the Deaf, the department of correction, the state department of health, the division of disability ~~aging~~, and rehabilitative services, and the division of mental health and addiction.

(B) Coordinate the work of schools described in clause (A).

For programs for preschool children with disabilities as required under IC 20-35-4-9, have general supervision over programs, classes, and schools, including those conducted by the schools or other state or local service providers as contracted for under IC 20-35-4-9. However, general supervision does not include the determination of admission standards for the state departments, boards, or agencies authorized to provide programs or classes under this chapter.

(2) To adopt, with the approval of the state board, rules governing the curriculum and instruction, including licensing of personnel in the field of education, as provided by law.

(3) To inspect and rate all schools, programs, or classes for children with disabilities to maintain proper standards of personnel, equipment, and supplies.

(4) With the consent of the state superintendent and the budget agency, to appoint and determine salaries for any assistants and other personnel needed to enable the director to accomplish the duties of the director's office.

(5) To adopt, with the approval of the state board, the following:

(A) Rules governing the identification and evaluation of children with disabilities and their placement under an individualized education program in a special education program.

(B) Rules protecting the rights of a child with a disability and the parents of the child with a disability in the identification, evaluation, and placement process.

(6) To make recommendations to the state board concerning standards and case load ranges for related services to assist each teacher in meeting the individual needs of each child according to that child's individualized education program. The recommendations may include the following:

(A) The number of teacher aides recommended for each exceptionality included within the class size ranges.

(B) The role of the teacher aide.

(C) Minimum training recommendations for teacher aides and recommended procedures for the supervision of teacher aides.

(7) To cooperate with the interagency coordinating council established by ~~IC 12-17-15-7~~ IC 12-12.7-2-7 to ensure that the preschool special education programs required by IC 20-35-4-9 are consistent with the early intervention services program described in ~~IC 12-17-15-7~~ IC 12-12.7-2.

(c) The director or the state board may exercise authority over ~~vocational career and technical~~

1 **education** programs for children with disabilities through a letter of agreement with the department
2 of workforce development.

3 SECTION 122. IC 20-35-7-3, AS ADDED BY P.L.1-2005, SECTION 19, IS AMENDED TO
4 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) As used in this chapter, "transition
5 services" means a coordinated set of activities for a student with a disability that:

- 6 (1) is designed within an outcome oriented process; and
7 (2) promotes movement from the public agency to postsecondary school activities, including the
8 following:

9 (A) Postsecondary education.

10 (B) ~~Vocational training.~~ **Career and technical education.**

11 (C) Integrated employment (including supported employment).

12 (D) Continuing and adult education.

13 (E) Adult services.

14 (F) Independent living.

15 (G) Community participation.

16 (b) The coordinated set of activities described in subsection (a) must:

- 17 (1) be based on the individual student's needs, taking into account the student's preferences and
18 interests; and

19 (2) include the following:

20 (A) Instruction.

21 (B) Related services.

22 (C) Community experiences.

23 (D) The development of employment and other postsecondary school adult living objectives.

24 (E) Where appropriate, acquisition of daily living skills and a functional vocational evaluation.

25 SECTION 123. IC 20-37-1-1, AS AMENDED BY P.L.2-2006, SECTION 160, IS AMENDED TO
26 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) Two (2) or more school corporations
27 may cooperate to:

- 28 (1) establish; and

29 (2) maintain or supervise;

30 schools or departments for ~~vocational~~ **career and technical** education if the governing bodies of the
31 school corporations agree to cooperate and apportion the cost of the schools or departments among
32 the school corporations.

33 (b) If the cooperating school corporations agree to:

- 34 (1) establish; and

35 (2) maintain or supervise;

36 the schools or departments under subsection (a), the designated representatives of the school
37 corporations constitute a board for the management of the schools or departments. The board may
38 adopt a plan of organization, administration, and support for the schools or departments. The plan, if
39 approved by the state board, is a binding contract between the cooperating school corporations.

40 (c) The governing bodies of the cooperating school corporations may cancel or annul the plan
41 described in subsection (b) by the vote of a majority of the governing bodies and upon the approval
42 of the state board. However, if a school corporation desires to withdraw a course offering from the
43 cooperative agreement after:

- 44 (1) attempting to withdraw the course offering under a withdrawal procedure authorized by the
45 school corporation's cooperative agreement or bylaw; and

46 (2) being denied the authority to withdraw the course offering;

47 the school corporation may appeal the denial to the state board. In the appeal, a school corporation
48 must submit a proposal requesting the withdrawal to the state board for approval.

49 (d) The proposal under subsection (c) must do the following:

(1) Describe how the school corporation intends to implement the particular ~~vocational career~~ **and technical** education course.

(2) Include a provision that provides for at least a two (2) year phaseout of the educational program or course offering from the cooperative agreement.

Upon approval of the proposal by the state board, the school corporation may proceed with the school corporation's withdrawal of the course offering from the cooperative agreement and shall proceed under the proposal.

(e) The withdrawal procedure under subsections (c) and (d) may not be construed to permit a school corporation to change any other terms of the plan described in subsection (b) except those terms that require the school corporation to provide the particular course offering sought to be withdrawn.

(f) The board described in subsection (b) may do the following:

(1) Enter into an agreement to acquire by lease or purchase:

(A) sites;

(B) buildings; or

(C) equipment;

that is suitable for these schools or departments. This authority extends to the acquisition of facilities available under IC 20-47-2.

(2) By resolution adopted by a majority of the board, designate three (3) or more individuals from the board's membership to constitute an executive committee.

(g) To the extent provided in a resolution adopted under subsection (f)(2), an executive committee shall do the following:

(1) Exercise the authority of the full board in the management of the schools or departments.

(2) Submit a written summary of its actions to the full board at least semiannually.

SECTION 124. IC 20-37-2-2, AS ADDED BY P.L.1-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) A governing body may:

(1) establish ~~vocational career and technical education centers~~, schools, or departments in the manner approved by the state board; and

(2) maintain these schools or departments from the general fund.

(b) The governing body may include in the high school curriculum without additional state board approval any secondary level ~~vocational career and technical~~ education course that is:

(1) included on the list of approved courses that the state board establishes under IC 20-20-20-3; and

(2) approved under section 11 of this chapter, if applicable.

(c) The governing body shall notify the department and the department of workforce development whenever the governing body:

(1) includes an approved course for; or

(2) removes an approved course from;

the high school curriculum.

SECTION 125. IC 20-37-2-3, AS ADDED BY P.L.1-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) The governing body of a school corporation may contract with a nonprofit corporation to establish and maintain a ~~vocational career and technical education~~ program in the building trades solely to teach the principles of building construction to students enrolled in grades 9 through 12.

(b) A ~~vocational career and technical education~~ program established under this section is limited to the construction of buildings upon real property owned by the nonprofit corporation.

SECTION 126. IC 20-37-2-4, AS ADDED BY P.L.1-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) ~~Vocational Career and technical education centers~~, schools, or departments for industrial, agricultural, or home economics education may offer instruction in:

1 (1) day;
 2 (2) part-time; and
 3 (3) evening;
 4 classes so that instruction in the principles and practice of the arts can occur together. The instruction
 5 must be less than college grade, and the instruction must be designed to meet the vocational needs of
 6 a person who can profit by the instruction.
 7 (b) Evening classes in:
 8 (1) an industrial;
 9 (2) an agricultural; or
 10 (3) a home economics;
 11 school or department must offer training for a person employed during the working day. This training,
 12 in order to be considered ~~vocational~~, **career and technical training**, must deal with and relate to the
 13 subject matter of the day employment. However, evening classes in home economics must be open to
 14 all individuals.
 15 (c) Part-time classes in an industrial, agricultural, or home economics school or department are for
 16 persons giving a part of each working day, week, or longer period to a part-time class when it is in
 17 session. This part-time instruction must be:
 18 (1) complementary to the particular work conducted in the employment;
 19 (2) in subjects offered to enlarge civic or vocational intelligence; or
 20 (3) in trade preparation subjects.
 21 SECTION 127. IC 20-37-2-6, AS ADDED BY P.L.1-2005, SECTION 21, IS AMENDED TO
 22 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. If a governing body has established an
 23 approved ~~vocational~~ **career and technical education center**, school, or department for instruction in
 24 part-time classes for regularly employed persons who are at least fourteen (14) years of age, the
 25 governing body may formally choose to require regularly employed persons who are less than nineteen
 26 (19) years of age to attend part-time classes:
 27 (1) between the hours of 8 a.m. and 5 p.m. during the school term; and
 28 (2) for not less than four (4) hours and not more than eight (8) hours per week.
 29 SECTION 128. IC 20-37-2-7, AS ADDED BY P.L.1-2005, SECTION 21, IS AMENDED TO
 30 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) A school corporation, through the
 31 school corporation's appropriate officials, may enter into cooperative programs with employers. These
 32 programs must include an agreement by the employer to provide employment for students enrolled in
 33 school directed ~~vocational~~ **career and technical** education to learn the manipulative skills or manual
 34 processes of an occupation.
 35 (b) The employer may employ the students in otherwise restricted occupations for the purpose of
 36 ~~vocational~~ **career and technical** education ~~training~~ under the following conditions:
 37 (1) That training in the occupation is approved by a proper school authority and is school
 38 supervised.
 39 (2) That safety instructions are given by the school and integrated with on-the-job training by the
 40 employer.
 41 (3) That the student is assigned to competent adults designated by the employer for instruction
 42 and supervision in the manipulative skills or manual processes of the occupation according to a
 43 written training schedule developed by the employer and a representative of the school.
 44 SECTION 129. IC 20-37-2-8, AS ADDED BY P.L.1-2005, SECTION 21, IS AMENDED TO
 45 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) A student in ~~vocational~~ **career and**
 46 **technical** education and employed under section 7 of this chapter:
 47 (1) is entitled to the rights of recovery of a worker of at least seventeen (17) years of age under
 48 the worker's compensation and occupational diseases laws (IC 22-3-2 through IC 22-3-7); and
 49 (2) may not recover any additional benefit otherwise payable as a result of being less than

seventeen (17) years of age under the definition of a minor in IC 22-3-6-1.
The student is considered the employee of the employer while performing services for the employer under section 7 of this chapter.

(b) A student performing services for an employer under section 7 of this chapter is considered a full-time employee in computing compensation for permanent impairment under the worker's compensation law (IC 22-3-2 through IC 22-3-6).

(c) Employers and students under section 7 of this chapter are exempt from IC 20-33-3-35.

SECTION 130. IC 20-37-2-9, AS ADDED BY P.L.1-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) A ~~vocational~~ **career and technical education** youth organization fund is established to assist in carrying out the purposes of this chapter. The fund shall be administered by the state superintendent.

(b) The state superintendent may award grants from the ~~vocational~~ **career and technical education** youth organization fund for combined ~~vocational~~ **career and technical** activities of the organizations that are an integral part of the instructional program in ~~vocational~~ **career and technical** education. Areas of ~~vocational~~ **career and technical** instruction for which grants may be awarded include:

- (1) agriculture;
- (2) business and office occupations;
- (3) health occupations;
- (4) distributive education;
- (5) home economics; and
- (6) trade industrial education.

(c) There is appropriated from the state general fund to the state superintendent a sum to be determined annually by the general assembly to implement this section.

SECTION 131. IC 20-37-2-11, AS ADDED BY P.L.1-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) As used in this section, "~~vocational~~ **career and technical** education course" means a ~~vocational~~ **career and technical** education course that is:

- (1) an approved high school course under the rules of the state board; and
- (2) included on the list of approved courses that the state board develops and approves under IC 20-20-20-3.

(b) A school corporation that has entered into an agreement for a joint program of ~~vocational~~ **career and technical** education with one (1) or more other school corporations may not add a new ~~vocational~~ **career and technical** education course to its curriculum unless the course has been approved in the following manner:

- (1) In the case of an agreement under IC 20-37-1, the course must be approved by the management board for the joint program.
- (2) In the case of an agreement under IC 20-26-10, the course must be approved by the governing body of the school corporation that is designated to administer the joint program under IC 20-26-10-3. However, if that governing body refuses to approve the course, the course may be approved by a majority of the governing bodies of the school corporations that are parties to the agreement.

SECTION 132. IC 20-42-3-10, AS ADDED BY P.L.2-2006, SECTION 165, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. The trustee, with the advice and consent of the township board, shall use the account for the following educational purposes:

- (1) Each year the trustee shall pay to the parent or legal guardian of any child whose residence is within the township, the initial cost for the rental of textbooks used in any elementary or secondary school that has been accredited by the state. The reimbursement for the rental of textbooks shall be for the initial yearly rental charge only. Textbooks subsequently lost or destroyed may not be paid for from this account.

(2) Students who are residents of the township for the last two (2) years of their secondary education and who still reside within the township are entitled to receive financial assistance in an amount not to exceed an amount determined by the trustee and the township board during an annual review of higher education fees and tuition costs of post-high school education at any accredited college, university, junior college, or ~~vocational~~ **career and technical education center or school** or trade school. Amounts to be paid to each eligible student shall be set annually after this review. The amount paid each year must be:

(A) equitable for every eligible student without regard to race, religion, creed, sex, disability, or national origin; and

(B) based on the number of students and the amount of funds available each year.

(3) A person who has been a permanent resident of the township continuously for at least two (2) years and who needs educational assistance for job training or retraining may apply to the trustee of the township for financial assistance. The trustee and the township board shall review each application and make assistance available according to the need of each applicant and the availability of funds.

(4) If all the available funds are not used in any one (1) year, the unused funds shall be retained in the account by the trustee for use in succeeding years.

SECTION 133. IC 20-43-1-30, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 30. "~~Vocational~~ **Career and technical** education grant" refers to the amount determined under IC 20-43-8-9 as adjusted under IC 20-43-8-10.

SECTION 134. IC 20-43-2-3, AS AMENDED BY P.L.162-2006, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. (a) Except as provided in subsection (b), if the total amount to be distributed:

(1) as basic tuition support;

(2) for academic honors diploma awards;

(3) for primetime distributions;

(4) for special education grants; and

(5) for ~~vocational~~ **career and technical** education grants;

for a particular year exceeds the maximum state distribution for a calendar year, the amount to be distributed for state tuition support under this article to each school corporation during each of the last six (6) months of the year shall be proportionately reduced so that the total reductions equal the amount of the excess.

(b) The department of education shall distribute the full amount of tuition support to school corporations in the second six (6) months of 2006 in accordance with this article without a reduction under this section.

SECTION 135. IC 20-43-3-4, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) A school corporation's previous year revenue equals the amount determined under STEP TWO of the following formula:

STEP ONE: Determine the sum of the following:

(A) The school corporation's basic tuition support for the year that precedes the current year.

(B) The school corporation's maximum permissible tuition support levy for the calendar year that precedes the current year, made in determining the school corporation's adjusted tuition support levy for the calendar year.

(C) The school corporation's excise tax revenue for the year that precedes the current year by two (2) years.

STEP TWO: Subtract from the STEP ONE result an amount equal to the sum of the following:

(A) The reduction in the school corporation's state tuition support under any combination of subsection (b), subsection (c), IC 20-10.1-2-1 (before its repeal), or IC 20-30-2-4.

(B) In 2006, the amount of the school corporation's maximum permissible tuition support levy

1 attributable to the levy transferred from the school corporation's general fund to the school
2 corporation's referendum tax levy fund under IC 20-46-1-6.

3 (b) A school corporation's previous year revenue must be reduced if:

- 4 (1) the school corporation's state tuition support for special **education** or ~~vocational career and~~
5 **technical** education is reduced as a result of a complaint being filed with the department after
6 December 31, 1988, because the school program overstated the number of children enrolled in
7 special **education programs** or ~~vocational career and technical~~ education programs; and
8 (2) the school corporation's previous year revenue has not been reduced under this subsection
9 more than one (1) time because of a given overstatement.

10 The amount of the reduction equals the amount the school corporation would have received in state
11 tuition support for special **education** and ~~vocational career and technical~~ education because of the
12 overstatement.

13 (c) A school corporation's previous year revenue must be reduced if an existing elementary or
14 secondary school located in the school corporation converts to a charter school under IC 20-5.5-11
15 before July 1, 2005, or IC 20-24-11 after June 30, 2005. The amount of the reduction equals the
16 product of:

- 17 (1) the sum of the amounts distributed to the conversion charter school under IC 20-5.5-7-3.5(c)
18 and IC 20-5.5-7-3.5(d) before July 1, 2005, and IC 20-24-7-3(c) and IC 20-24-7-3(d) after June
19 30, 2005; multiplied by
20 (2) two (2).

21 SECTION 136. IC 20-43-4-1, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
22 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) An individual is an eligible pupil if
23 the individual is a pupil enrolled in a school corporation and:

- 24 (1) the school corporation has the responsibility to educate the pupil in its public schools without
25 the payment of tuition;
26 (2) subject to subdivision (5), the school corporation has the responsibility to pay transfer tuition
27 under IC 20-26-11, because the pupil is transferred for education to another school corporation;
28 (3) the pupil is enrolled in a school corporation as a transfer student under IC 20-26-11-6 or
29 entitled to be counted for ADM purposes as a resident of the school corporation when attending
30 its schools under any other applicable law or regulation;
31 (4) the state is responsible for the payment of transfer tuition to the school corporation for the
32 pupil under IC 20-26-11; or
33 (5) all of the following apply:

- 34 (A) The school corporation is a transferee corporation.
35 (B) The pupil does not qualify as a qualified pupil in the transferee corporation under
36 subdivision (3) or (4).
37 (C) The transferee corporation's attendance area includes a state licensed private or public
38 health care facility, child care facility, or foster family home where the pupil was placed:
39 (i) by or with the consent of the department of child services;
40 (ii) by a court order;
41 (iii) by a child placing agency licensed by the division of family resources; or
42 (iv) by a parent or guardian under IC 20-26-11-8.

43 (b) For purposes of a ~~vocational career and technical~~ education grant, an eligible pupil includes
44 a student enrolled in a charter school.

45 SECTION 137. IC 20-43-8-2, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
46 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) Before December 1 of each year, the
47 department of workforce development shall provide the department with a report, to be used to
48 determine ~~vocational career and technical~~ education grant amounts in the second calendar year after
49 the year in which the report is provided, listing whether the labor market demand for each generally

1 recognized labor category is more than moderate, moderate, or less than moderate. In the report, the
2 department of workforce development shall categorize each of the ~~vocational~~ **career and technical**
3 education programs using the following four (4) categories:

4 (1) Programs that address employment demand for individuals in labor market categories that are
5 projected to need more than a moderate number of individuals.

6 (2) Programs that address employment demand for individuals in labor market categories that are
7 projected to need a moderate number of individuals.

8 (3) Programs that address employment demand for individuals in labor market categories that are
9 projected to need less than a moderate number of individuals.

10 (4) All programs not covered by the employment demand categories of subdivisions (1) through
11 (3).

12 (b) Before December 1 of each year, the department of workforce development shall provide the
13 department with a report, to be used to determine grant amounts that will be distributed under this
14 chapter in the second calendar year after the year in which the report is provided, listing whether the
15 average wage level for each generally recognized labor category for which ~~vocational~~ **career and**
16 **technical** education programs are offered is a high wage, a moderate wage, or a less than moderate
17 wage.

18 (c) In preparing the labor market demand report under subsection (a) and the average wage level
19 report under subsection (b), the department of workforce development shall, if possible, list the labor
20 market demand and the average wage level for specific regions, counties, and municipalities.

21 (d) If a new ~~vocational~~ **career and technical** education program is created by rule of the state
22 board, the department of workforce development shall determine the category in which the program
23 should be included.

24 SECTION 138. IC 20-43-8-4, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
25 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. In addition to the amount a school
26 corporation is entitled to receive in basic tuition support, each school corporation is entitled to receive
27 a grant for ~~vocational~~ **career and technical** education programs.

28 SECTION 139. IC 20-43-8-9, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
29 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. A school corporation's ~~vocational~~ **career**
30 **and technical** education grant for a calendar year is the sum of the following amounts:

31 STEP ONE: For each ~~vocational~~ **career and technical education** program provided by the
32 school corporation:

33 (A) the number of credit hours of the program (either one (1) credit, two (2) credits, or three
34 (3) credits); multiplied by

35 (B) the number of students enrolled in the program; multiplied by

36 (C) the following applicable amount:

37 (i) Four hundred fifty dollars (\$450), in the case of a program described in section 5 of this
38 chapter (more than a moderate labor market need) for which the average wage level
39 determined under section 2(b) of this chapter is a high wage.

40 (ii) Three hundred seventy-five dollars (\$375), in the case of a program described in section
41 5 of this chapter (more than a moderate labor market need) for which the average wage level
42 determined under section 2(b) of this chapter is a moderate wage.

43 (iii) Three hundred dollars (\$300), in the case of a program described in section 5 of this
44 chapter (more than a moderate labor market need) for which the average wage level
45 determined under section 2(b) of this chapter is a less than moderate wage.

46 (iv) Three hundred seventy-five dollars (\$375), in the case of a program described in section
47 6 of this chapter (moderate labor market need) for which the average wage level determined
48 under section 2(b) of this chapter is a high wage.

49 (v) Three hundred dollars (\$300), in the case of a program described in section 6 of this

chapter (moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a moderate wage.

(vi) Two hundred twenty-five dollars (\$225), in the case of a program described in section 6 of this chapter (moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a less than moderate wage.

(vii) Three hundred dollars (\$300), in the case of a program described in section 7 of this chapter (less than a moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a high wage.

(viii) Two hundred twenty-five dollars (\$225), in the case of a program described in section 7 of this chapter (less than a moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a moderate wage.

(ix) One hundred fifty dollars (\$150), in the case of a program described in section 7 of this chapter (less than a moderate labor market need) for which the average wage level determined under section 2(b) of this chapter is a less than moderate wage.

STEP TWO: The number of pupils described in section 8 of this chapter (all other programs) multiplied by two hundred fifty dollars (\$250).

STEP THREE: The number of pupils participating in a ~~vocational~~ **career and technical** education program in which pupils from multiple schools are served at a common location multiplied by one hundred fifty dollars (\$150).

SECTION 140. IC 20-43-8-10, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. If a school corporation determines that the categories of ~~vocational~~ **career and technical** education programs issued by the department of workforce development under section 2 of this chapter are not representative of the employment demand in the region surrounding the school corporation, the school corporation may petition the department of workforce development to recategorize for the school corporation the ~~vocational~~ **career and technical** education programs offered by the school corporation according to the employment demand in the region surrounding the school corporation. The petition must include information supporting the school corporation's determination that the categories of ~~vocational~~ **career and technical** education programs by the department of workforce development under section 2 of this chapter are not representative of the employment demand in the region surrounding the school corporation.

SECTION 141. IC 22-4-18-1, AS AMENDED BY P.L.161-2006, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) There is created a department under IC 22-4.1-2-1 which shall be known as the department of workforce development.

(b) The department of workforce development may:

- (1) Administer the unemployment insurance program, the Wagner-Peyser program, the Workforce Investment Act, a free public labor exchange, and related federal and state employment and training programs as directed by the governor.
- (2) Formulate and implement an employment and training plan as required by the Workforce Investment Act (29 U.S.C. 2801 et seq.), including reauthorizations of the Act, and the Wagner-Peyser Act (29 U.S.C. 49 et seq.).
- (3) Coordinate activities with all state agencies and departments that either provide employment and training related services or operate appropriate resources or facilities, to maximize Indiana's efforts to provide employment opportunities for economically disadvantaged individuals, dislocated workers, and others with substantial barriers to employment.
- (4) Apply for, receive, disburse, allocate, and account for all funds, grants, gifts, and contributions of money, property, labor, and other things of value from public and private sources, including grants from agencies and instrumentalities of the state and the federal government.

(5) Enter into agreements with the United States government that may be required as a condition of obtaining federal funds related to activities of the department.

(6) Enter into contracts or agreements and cooperate with local governmental units or corporations, including profit or nonprofit corporations, or combinations of units and corporations to carry out the duties of the department imposed by this chapter, including contracts for the establishment and administration of employment and training offices and the delegation of the department's administrative, monitoring, and program responsibilities and duties set forth in this article.

(7) Perform other services and activities that are specified in contracts for payments or reimbursement of the costs made with the Secretary of Labor, any federal, state, or local public agency or administrative entity, or a private for-profit or nonprofit organization under the Workforce Investment Act (29 U.S.C. 2801 et seq.), including reauthorizations of the Act.

(8) Enter into contracts or agreements and cooperate with entities that provide ~~vocational~~ **career and technical** education to carry out the duties imposed by this chapter.

(c) The payment of unemployment insurance benefits must be made in accordance with 26 U.S.C. 3304.

(d) The department of workforce development may do all acts and things necessary or proper to carry out the powers expressly granted under this article, including the adoption of rules under IC 4-22-2.

(e) The department of workforce development may not charge any claimant for benefits for providing services under this article, except as provided in IC 22-4-17-12.

(f) The department of workforce development shall distribute federal funds made available for employment training in accordance with:

(1) 29 U.S.C. 2801 et seq., including reauthorizations of the Act, and other applicable federal laws; and

(2) the plan prepared by the department under subsection (g)(1).

(g) In addition to the duties prescribed in subsections (a) through (f), the department of workforce development shall do the following:

(1) Implement to the best of its ability its employment training programs and the comprehensive ~~vocational~~ **career and technical** education program in Indiana developed under the long range plan under IC 22-4.1-13.

(2) Upon request of the budget director, prepare a legislative budget request for state and federal funds for employment training. The budget director shall determine the period to be covered by the budget request.

(3) Evaluate its programs according to criteria established by the Indiana commission ~~on~~ **for career and technical** education within the department of workforce development under IC 22-4.1-13.

(4) Make or cause to be made studies of the needs for various types of programs that are related to employment training and authorized under the Workforce Investment Act, including reauthorizations of the Act.

(5) Distribute state funds made available for employment training that have been appropriated by the general assembly in accordance with:

(A) the general assembly appropriation; and

(B) the plan prepared by the department under subdivision (1).

(6) Establish, implement, and maintain a training program in the nature and dynamics of domestic and family violence for training of all employees of the department who interact with a claimant for benefits to determine whether the claim of the individual for unemployment benefits is valid and to determine that employment separations stemming from domestic or family violence are reliably screened, identified, and adjudicated and that victims of domestic or family violence are

1 able to take advantage of the full range of job services provided by the department. The training
2 presenters shall include domestic violence experts with expertise in the delivery of direct services
3 to victims of domestic violence, including using the staff of shelters for battered women in the
4 presentation of the training. The initial training shall consist of instruction of not less than six (6)
5 hours. Refresher training shall be required annually and shall consist of instruction of not less
6 than three (3) hours.

7 SECTION 142. IC 22-4-18-6, AS AMENDED BY P.L.161-2006, SECTION 6, IS AMENDED TO
8 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) The department shall develop a
9 uniform system for assessing workforce skills, strengths, and weaknesses in individuals.

10 (b) The uniform assessment system shall be used at the following:

11 (1) One stop centers under IC 22-4-42, if established.

12 (2) ~~Vocational~~ **Career and technical** education (as defined in IC 22-4.1-13-5) programs at the
13 secondary level.

14 SECTION 143. IC 22-4-19-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
15 2007]: Sec. 5. The board, through its appropriate activities, shall take all appropriate steps to reduce
16 and prevent unemployment; to encourage and assist in the adoption of practical methods of ~~vocational~~
17 **career and technical** training, retraining, and vocational guidance; to investigate, recommend, advise,
18 and assist in the establishment and operation, by municipal corporations, counties, school districts, and
19 the state, of reserves for public works to be used in times of business depression and unemployment;
20 to promote the re-employment of unemployed workers throughout the state in every way that may be
21 feasible; and to these ends to carry on and publish the results of investigations and research studies.

22 SECTION 144. IC 22-4.1-2-2, AS AMENDED BY P.L.1-2005, SECTION 186, IS AMENDED TO
23 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. The department is comprised of the
24 following entities reorganized within the department:

25 (1) The department of employment and training services, including the following:

26 (A) The unemployment insurance board.

27 (B) The unemployment insurance review board.

28 (2) The office of workforce literacy established by IC 22-4.1-10-1.

29 (3) The Indiana commission ~~on vocational~~ **for career** and technical education established by
30 IC 22-4.1-13-6.

31 (4) The workforce proficiency panel established by IC 22-4.1-16-2.

32 SECTION 145. IC 22-4.1-3-4, AS AMENDED BY P.L.161-2006, SECTION 18, IS AMENDED
33 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. Funds necessary to support the
34 operating costs of the department of workforce development beyond those approved and appropriated
35 by the United States Congress or approved by federal agencies for the operation of the department and
36 specifically authorized by other provisions of IC 22-4:

37 (1) must be specifically appropriated from the state general fund for this purpose; and

38 (2) may not be derived from other state or federal funds directed for unemployment insurance
39 programs under IC 22-4, including funds under the Wagner-Peyser Act (29 U.S.C. 49 et seq.),
40 any other grants or funds that are passed through for job training programs, the Carl D. Perkins
41 Vocational and Applied Technology Act (20 U.S.C. 2301 et seq.), and any other grant or funds
42 for ~~vocational~~ **career** and technical education.

43 SECTION 146. IC 22-4.1-4-1, AS AMENDED BY P.L.1-2005, SECTION 187, IS AMENDED TO
44 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The department may undertake duties
45 identified by the commissioner as related to workforce development initiatives that were required of
46 or authorized to be undertaken before July 1, 1994, by:

47 (1) the department of employment and training services;

48 (2) the office of workforce literacy established by IC 22-4.1-10-1;

49 (3) the Indiana commission ~~on vocational~~ **for career** and technical education established by

1 IC 22-4.1-13-6; or

2 (4) the workforce proficiency panel established by IC 22-4.1-16-2.

3 SECTION 147. IC 22-4.1-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
4 2007]: Sec. 2. Money in the fund may be used for the following purposes at the discretion of the
5 department, based upon the priorities necessary to achieve the department's goals:

6 (1) To build the capacity and strengthen the quality of services of programs offering basic skills
7 services and having a substantial volunteer component, including staff and volunteer
8 development, outreach, equipment, software, training materials, and community linkages.

9 (2) For workforce literacy programs providing essential and basic education skills training to
10 raise skills and productivity in the workplace.

11 (3) For technical assistance to providers of workplace literacy and basic education to enhance the
12 providers' capacity to link with employers and document productivity gains resulting from
13 training.

14 (4) To establish a common data base, reporting system, and evaluation system related to
15 workforce literacy and other incumbent worker programs, and to develop performance standards.

16 (5) To provide training for dislocated workers under IC 22-4-41.

17 (6) To provide training for workers who are at risk of becoming dislocated workers because of
18 a lack of skills.

19 (7) To provide comprehensive job training and related services for economically disadvantaged,
20 unemployed, and underemployed individuals, including recruitment, counseling, remedial
21 education, ~~vocational~~ **career and technical** training, job development, job placement, and other
22 appropriate services to enable each individual to secure and retain employment at the individual's
23 maximum capacity.

24 (8) To attract federal funds in order to increase the resources available to carry out the purposes
25 of this section.

26 SECTION 148. IC 22-4.1-13-1, AS ADDED BY P.L.1-2005, SECTION 43, IS AMENDED TO
27 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. As used in this chapter, "commission"
28 refers to the Indiana commission ~~on vocational~~ **for career** and technical education of the department
29 established by section 6 of this chapter.

30 SECTION 149. IC 22-4.1-13-5, AS ADDED BY P.L.1-2005, SECTION 43, IS AMENDED TO
31 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. As used in this chapter, "~~vocational~~
32 **career and technical** education" means any vocational, agricultural, occupational, manpower,
33 employment, or technical training or retraining that:

34 (1) enhances an individual's career potential and further education; and

35 (2) is accessible to individuals who desire to explore and learn for economic and personal growth
36 leading to employment opportunities.

37 SECTION 150. IC 22-4.1-13-6, AS ADDED BY P.L.1-2005, SECTION 43, IS AMENDED TO
38 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) The Indiana commission ~~on~~
39 ~~vocational~~ **for career** and technical education is established within the department.

40 (b) The commission consists of eleven (11) citizens of Indiana who are appointed by the governor.
41 Except as provided in subsection (c), a member:

42 (1) may not be an officer or employee of a state educational institution or a school corporation;

43 (2) may not be a state employee;

44 (3) may not be a member of the council; and

45 (4) must be generally knowledgeable in the fields of business, industry, labor, agriculture,
46 commerce, education, or ~~vocational~~ **career and technical** education.

47 (c) Notwithstanding subsection (b):

48 (1) one (1) member must be a representative of the council or a private industry council;

49 (2) one (1) member must be an officer or employee of a state educational institution; and

1 (3) one (1) member must be an officer or employee of a school corporation.

2 (d) Each Indiana congressional district must be represented by at least one (1) member who resides
3 in that district.

4 SECTION 151. IC 22-4.1-13-9, AS ADDED BY P.L.1-2005, SECTION 43, IS AMENDED TO
5 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) The commission shall develop and
6 implement a long range state plan for a comprehensive ~~vocational~~ **career and technical** education
7 program in Indiana.

8 (b) The plan developed under this section shall be kept current. The plan and any revisions made
9 to the plan shall be made available to:

- 10 (1) the governor;
11 (2) the general assembly;
12 (3) the Indiana state board of education;
13 (4) the department of education;
14 (5) the commission for higher education;
15 (6) the council;
16 (7) the Indiana commission on proprietary education; and
17 (8) any other appropriate state or federal agency.

18 A plan or revised plan submitted under this section to the general assembly must be in an electronic
19 format under IC 5-14-6.

20 (c) The plan must set forth specific goals for public ~~vocational~~ **career and technical** education at
21 all levels and must include the following:

- 22 (1) The preparation of each graduate for both employment and further education.
23 (2) Accessibility of ~~vocational~~ **career and technical** education to individuals of all ages who
24 desire to explore and learn for economic and personal growth.
25 (3) Projected employment opportunities in various ~~vocational~~ **career and technical education**
26 fields.
27 (4) A study of the supply of and the demand for a labor force skilled in particular ~~vocational~~
28 **career and technical education** areas.
29 (5) A study of technological and economic change affecting Indiana.
30 (6) An analysis of the private ~~vocational~~ **career and** education sector in Indiana.
31 (7) Recommendations for improvement in the state ~~vocational~~ **career and technical** education
32 program.
33 (8) The educational levels expected of ~~vocational~~ **career and technical** education programs
34 proposed to meet the projected employment needs.

35 SECTION 152. IC 22-4.1-13-10, AS ADDED BY P.L.1-2005, SECTION 43, IS AMENDED TO
36 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. The commission shall do the following:

37 (1) Make recommendations to the general assembly concerning the development, duplication, and
38 accessibility of employment training and ~~vocational~~ **career and technical** education on a
39 regional and statewide basis.

40 (2) Consult with any state agency, commission, or organization that supervises or administers
41 programs of ~~vocational~~ **career and technical** education concerning the coordination of
42 ~~vocational~~ **career and technical** education, including the following:

- 43 (A) The Indiana economic development corporation.
44 (B) The council.
45 (C) A private industry council (as defined in 29 U.S.C. 1501 et seq.).
46 (D) The department of labor.
47 (E) The Indiana commission on proprietary education.
48 (F) The commission for higher education.
49 (G) The Indiana state board of education.

(3) Review and make recommendations concerning plans submitted by the Indiana state board of education and the commission for higher education. The commission may request the resubmission of plans or parts of plans that:

- (A) are not consistent with the long range state plan of the commission;
- (B) are incompatible with other plans within the system; or
- (C) do not avoid duplication of existing services.

(4) Report to the general assembly on the commission's conclusions and recommendations concerning interagency cooperation, coordination, and articulation of ~~vocational~~ **career and technical** education and employment training. A report under this subdivision must be in an electronic format under IC 5-14-6.

(5) Study and develop a plan concerning the transition between secondary level ~~vocational~~ **career and technical** education and postsecondary level ~~vocational~~ **career and technical** education.

(6) Enter into agreements with the federal government that may be required as a condition of receiving federal funds under the Vocational Education Act (20 U.S.C. 2301 et seq.). An agreement entered into under this subdivision is subject to the approval of the budget agency.

SECTION 153. IC 22-4.1-13-11, AS ADDED BY P.L.1-2005, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. The commission may do the following:

(1) Make recommendations, including recommendations for policies to encourage involvement of minority groups in the ~~vocational~~ **career and technical** education system in Indiana, to:

- (A) the governor;
- (B) the general assembly; and
- (C) the various agencies, commissions, or organizations that administer ~~vocational~~ **career and technical** education programs concerning all facets of ~~vocational~~ **career and technical** education programming.

(2) Establish a regional planning and coordination system for ~~vocational~~ **career and technical** education and employment training that will, either in whole or in part, serve ~~vocational~~ **career and technical** education and employment training in Indiana.

(3) Appoint advisory committees whenever necessary.

(4) Contract for services necessary to carry out this chapter.

(5) Provide information and advice on ~~vocational~~ **career and technical** education to a business, an industry, or a labor organization operating a job training program in the private sector.

SECTION 154. IC 22-4.1-13-12, AS ADDED BY P.L.1-2005, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. The commission shall adopt statewide systems or policies concerning the following as the systems or policies relate to the implementation of ~~vocational~~ **career** and technical education programs:

(1) Student records.

(2) Data processing at the secondary level.

(3) An evaluation system that must be conducted by the commission at least annually and that evaluates the following as each relates to the ~~vocational~~ **career** and technical education programs and courses offered at the secondary level and postsecondary level:

- (A) Graduation rates.
- (B) Student placement rates.
- (C) Retention rates.
- (D) Enrollment.
- (E) Student transfer rates to postsecondary educational institutions.
- (F) When applicable, student performance on state licensing examinations or other external certification examinations.
- (G) Cost data study.

(4) A system of financial audits to be conducted at least biennially at the secondary level.

1 SECTION 155. IC 22-4.1-13-13, AS ADDED BY P.L.1-2005, SECTION 43, IS AMENDED TO
2 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. (a) The commission shall establish
3 ~~vocational~~ **career and technical** education evaluation criteria.

4 (b) Using the criteria established under subsection (a), the commission shall evaluate the
5 effectiveness of ~~vocational~~ **career and technical** education relative to the goals of the long range plan
6 developed under section 9 of this chapter.

7 SECTION 156. IC 22-4.1-13-14, AS ADDED BY P.L.1-2005, SECTION 43, IS AMENDED TO
8 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14. (a) Except as provided in subsection
9 (c), the commission shall receive, distribute, and maintain accountability for all federal funds available
10 for ~~vocational~~ **career and technical** education under 20 U.S.C. 2301 et seq.

11 (b) Except as provided in subsection (c), the commission shall distribute and maintain
12 accountability for all federal funds available for ~~vocational~~ **career and technical** education under 29
13 U.S.C. 1533.

14 (c) The commission may not expend or distribute federal funds available under 20 U.S.C. 2301 et
15 seq. or 29 U.S.C. 1533 if those funds have not been allocated by the general assembly.

16 SECTION 157. IC 22-4.1-13-15, AS ADDED BY P.L.1-2005, SECTION 43, IS AMENDED TO
17 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) The department shall review the
18 legislative budget requests for ~~vocational~~ **career and technical** education prepared by the following:

19 (1) The department of education.

20 (2) The state educational institutions.

21 (b) After the review under subsection (a), the department shall make recommendations to the
22 budget committee concerning the appropriation of state funds and the allocation of federal funds for
23 ~~vocational~~ **career and technical** education, including federal funds available under 20 U.S.C. 2301
24 et seq. and 29 U.S.C. 1533. The department's recommendations concerning appropriations and
25 allocations for ~~vocational~~ **career and technical** education by secondary schools and state educational
26 institutions must specify:

27 (1) the minimum funding levels required by 20 U.S.C. 2301 et seq. and 29 U.S.C. 1533;

28 (2) the categories of expenditures and the distribution plan or formula for secondary schools; and

29 (3) the categories of expenditures for each state educational institution.

30 (c) After reviewing the department's recommendations and each agency's budget request, the budget
31 committee shall make recommendations to the general assembly for funding to implement ~~vocational~~
32 **career and technical** education. The general assembly shall biennially appropriate state funds for
33 ~~vocational~~ **career and technical** education and allocate federal funds available under 20 U.S.C. 2301
34 et seq. and 29 U.S.C. 1533 for ~~vocational~~ **career and technical** education. At least sixty percent (60%)
35 of the federal funds available under 20 U.S.C. 2301 et seq. shall be allocated to secondary level
36 ~~vocational~~ **career and technical** education to implement the long range state plan developed under
37 section 9 of this chapter.

38 (d) The budget agency, with the advice of the department and the budget committee, may augment
39 or reduce an allocation of federal funds made under subsection (c).

40 SECTION 158. IC 22-4.1-14-1, AS AMENDED BY SEA 526-2007, SECTION 303, IS
41 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. As used in this chapter,
42 "institution" means:

43 (1) a campus of a state educational institution;

44 (2) a school corporation; or

45 (3) an area ~~vocational~~ **career and technical education center or school**;

46 as described in section 2 or 3 of this chapter.

47 SECTION 159. IC 22-4.1-14-2, AS ADDED BY P.L.1-2005, SECTION 44, IS AMENDED TO
48 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. After receiving the endorsement of the
49 faculty and subject to the guidelines developed under section 4 of this chapter, the chief administrator

1 from each campus of a state educational institution that offers a technical education program must
2 enter into a workforce partnership plan as described under this chapter with the superintendent of the
3 school corporation and each area ~~vocational~~ **career and technical education** director who oversees
4 the secondary level technical education programs that are offered within the same geographic area as
5 the particular campus.

6 SECTION 160. IC 22-4.1-14-3, AS ADDED BY P.L.1-2005, SECTION 44, IS AMENDED TO
7 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3. After the chief administrator receives
8 an endorsement from the faculty and subject to the guidelines developed under section 4 of this
9 chapter, the superintendent of each school corporation and area ~~vocational~~ **career and technical**
10 **education** director must enter into a workforce partnership plan as described under this chapter with
11 the chief administrator from each campus of a state educational institution who oversees the
12 postsecondary level technical education programs offered within the same geographic area as the
13 school corporation and area ~~vocational~~ **career and technical education center or school**.

14 SECTION 161. IC 22-4.1-14-5, AS ADDED BY P.L.1-2005, SECTION 44, IS AMENDED TO
15 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. Notwithstanding any other law and after
16 an institution is required to enter into a workforce partnership plan under this chapter, an institution's
17 workforce partnership plan must be approved by the Indiana commission ~~on vocational~~ **for career** and
18 technical education of the department for the institution to:

- 19 (1) be eligible to receive federal and state funds for the institution's ~~vocational~~ **career** and
20 technical education program at the secondary level and postsecondary level;
- 21 (2) receive ~~vocational~~ **career** and technical education program approval by:
 - 22 (A) the Indiana state board of education for secondary level programs; and
 - 23 (B) the commission for higher education for postsecondary level programs;
- 24 for any ~~vocational~~ **career** and technical education programs requiring approval; and
- 25 (3) be eligible to complete the program review process by the commission for higher education
26 for postsecondary level ~~vocational~~ **career** and technical education programs.

27 SECTION 162. IC 22-4.1-14-6, AS AMENDED BY SEA 526-2007, SECTION 304, IS
28 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. Each workforce
29 partnership plan must do the following:

- 30 (1) Address the need to maximize:
 - 31 (A) the use of ~~vocational~~ **career** and technical education programs and services; and
 - 32 (B) the articulation of ~~vocational~~ **career** and technical education programs;
- 33 between the secondary level and postsecondary level.
- 34 (2) Identify ~~vocational~~ **career** and technical education program groupings to coordinate
35 ~~vocational~~ **career** and technical education programs within a geographic area.
- 36 (3) Identify particular certificates of achievement under IC 20-32-3 and **IC 21-43-3** and indicate
37 the circumstances under which a state educational institution may elect to grant academic credit
38 to a student who does the following:
 - 39 (A) Acquires the particular certificate of achievement.
 - 40 (B) Satisfies the standards for receipt of academic credit as determined by the state
41 educational institution.
- 42 (4) Provide for the use of joint secondary level and postsecondary level faculty committees to
43 organize ~~vocational~~ **career** and technical education program articulation.
- 44 (5) Comply with 20 U.S.C. 2301 et seq.

45 SECTION 163. IC 22-4.1-15-1, AS ADDED BY P.L.1-2005, SECTION 45, IS AMENDED TO
46 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. The building and trades advisory
47 committee is established to provide information, advice, and recommendations to the Indiana
48 commission ~~on vocational~~ **for career** and technical education of the department with regard to
49 technical education.

1 SECTION 164. IC 22-4.1-16-9, AS AMENDED BY SEA 526-2007, SECTION 306, IS
2 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. The duties of the panel
3 include the following:

4 (1) To determine the essential and technical skills required to be effective in the various technical
5 trades and professions.

6 (2) To determine the statewide technical proficiencies of major occupational areas considered
7 to be necessary in the workforce.

8 (3) To review existing ~~vocational~~ **career** and technical education programs at the secondary and
9 postsecondary level to determine:

10 (A) whether these programs meet the essential skill and statewide technical proficiency
11 standards determined by the panel; and

12 (B) whether there exists duplication in programs or deficiencies in program alternatives at any
13 level.

14 (4) To improve technical proficiency based curricula for existing ~~vocational~~ **career and**
15 **technical education** programs.

16 (5) To make available to the pilot workplace learning programs developed by the panel required
17 essential skills and technical proficiencies in the major occupational areas.

18 (6) To adopt the secondary level and postsecondary level technical certificate of achievement
19 assessment instruments and standards under IC 20-32-3 and IC 21-43-3, respectively.

20 SECTION 165. IC 27-8-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
21 2007]: Sec. 1. (a) The definitions in this section apply throughout this chapter.

22 (b) "Association" means the Indiana comprehensive health insurance association established under
23 section 2.1 of this chapter.

24 (c) "Association policy" means a policy issued by the association that provides coverage specified
25 in section 3 of this chapter. The term does not include a Medicare supplement policy that is issued
26 under section 9 of this chapter.

27 (d) "Carrier" means an insurer providing medical, hospital, or surgical expense incurred health
28 insurance policies.

29 (e) "Church plan" means a plan defined in the federal Employee Retirement Income Security Act
30 of 1974 under 26 U.S.C. 414(e).

31 (f) "Commissioner" refers to the insurance commissioner.

32 (g) "Creditable coverage" has the meaning set forth in the federal Health Insurance Portability and
33 Accountability Act of 1996 (26 U.S.C. 9801(c)(1)).

34 (h) "Eligible expenses" means those charges for health care services and articles provided for in
35 section 3 of this chapter.

36 (i) "Federal income poverty level" has the meaning set forth in IC 12-15-2-1.

37 (j) "Federally eligible individual" means an individual:

38 (1) for whom, as of the date on which the individual seeks coverage under this chapter, the
39 aggregate period of creditable coverage is at least eighteen (18) months and whose most recent
40 prior creditable coverage was under a:

41 (A) group health plan;

42 (B) governmental plan; or

43 (C) church plan;

44 or health insurance coverage in connection with any of these plans;

45 (2) who is not eligible for coverage under:

46 (A) a group health plan;

47 (B) Part A or Part B of Title XVIII of the federal Social Security Act; or

48 (C) a state plan under Title XIX of the federal Social Security Act (or any successor program);

49 and does not have other health insurance coverage;

(3) with respect to whom the individual's most recent coverage was not terminated for factors relating to nonpayment of premiums or fraud;

(4) who, if after being offered the option of continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) (29 U.S.C. 1191b(d)(1)), or under a similar state program, elected such coverage; and

(5) who, if after electing continuation coverage described in subdivision (4), has exhausted continuation coverage under the provision or program.

(k) "Governmental plan" means a plan as defined under the federal Employee Retirement Income Security Act of 1974 (26 U.S.C. 414(d)) and any plan established or maintained for its employees by the United States government or by any agency or instrumentality of the United States government.

(l) "Group health plan" means an employee welfare benefit plan (as defined in 29 U.S.C. 1167(1)) to the extent that the plan provides medical care payments to, or on behalf of, employees or their dependents, as defined under the terms of the plan, directly or through insurance, reimbursement, or otherwise.

(m) "Health care facility" means any institution providing health care services that is licensed in this state, including institutions engaged principally in providing services for health maintenance organizations or for the diagnosis or treatment of human disease, pain, injury, deformity, or physical condition, including a general hospital, special hospital, mental hospital, public health center, diagnostic center, treatment center, rehabilitation center, extended care facility, skilled nursing home, nursing home, intermediate care facility, tuberculosis hospital, chronic disease hospital, maternity hospital, outpatient clinic, home health care agency, bioanalytical laboratory, or central services facility servicing one (1) or more such institutions.

(n) "Health care institutions" means skilled nursing facilities, home health agencies, and hospitals.

(o) "Health care provider" means any physician, hospital, pharmacist, or other person who is licensed in Indiana to furnish health care services.

(p) "Health care services" means any services or products included in the furnishing to any individual of medical care, dental care, or hospitalization, or incident to the furnishing of such care or hospitalization, as well as the furnishing to any person of any other services or products for the purpose of preventing, alleviating, curing, or healing human illness or injury.

(q) "Health insurance" means hospital, surgical, and medical expense incurred policies, nonprofit service plan contracts, health maintenance organizations, limited service health maintenance organizations, and self-insured plans. However, the term "health insurance" does not include short term travel accident policies, accident only policies, fixed indemnity policies, automobile medical payment, or incidental coverage issued with or as a supplement to liability insurance.

(r) "Insured" means all individuals who are provided qualified comprehensive health insurance coverage under an individual policy, including all dependents and other insured persons, if any.

(s) "Medicaid" means medical assistance provided by the state under the Medicaid program under IC 12-15.

(t) "Medical care payment" means amounts paid for:

(1) the diagnosis, care, mitigation, treatment, or prevention of disease or amounts paid for the purpose of affecting any structure or function of the body;

(2) transportation primarily for and essential to Medicare services referred to in subdivision (1); and

(3) insurance covering medical care referred to in subdivisions (1) and (2).

(u) "Medically necessary" means health care services that the association has determined:

(1) are recommended by a legally qualified physician;

(2) are commonly and customarily recognized throughout the physician's profession as appropriate in the treatment of the patient's diagnosed illness; and

(3) are not primarily for the scholastic education or ~~vocational~~ **career and technical** training of the provider or patient.

(v) "Medicare" means Title XVIII of the federal Social Security Act (42 U.S.C. 1395 et seq.).

(w) "Policy" means a contract, policy, or plan of health insurance.

(x) "Policy year" means a twelve (12) month period during which a policy provides coverage or obligates the carrier to provide health care services.

(y) "Health maintenance organization" has the meaning set out in IC 27-13-1-19.

(z) "Resident" means an individual who is:

- (1) legally domiciled in Indiana for at least twelve (12) months before applying for an association policy; or
- (2) a federally eligible individual and legally domiciled in Indiana.

(aa) "Self-insurer" means an employer who provides services, payment for, or reimbursement of any part of the cost of health care services other than payment of insurance premiums or subscriber charges to a carrier. However, the term "self-insurer" does not include an employer who is exempt from state insurance regulation by federal law, or an employer who is a political subdivision of the state of Indiana.

(bb) "Services of a skilled nursing facility" means services that must commence within fourteen (14) days following a confinement of at least three (3) consecutive days in a hospital for the same condition.

(cc) "Skilled nursing facility", "home health agency", "hospital", and "home health services" have the meanings assigned to them in 42 U.S.C. 1395x.

(dd) "Medicare supplement policy" means an individual policy of accident and sickness insurance that is designed primarily as a supplement to reimbursements under Medicare for the hospital, medical, and surgical expenses of individuals who are eligible for Medicare benefits.

(ee) "Limited service health maintenance organization" has the meaning set forth in IC 27-13-34-4.

SECTION 166. IC 31-19-26-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) Subject to subsection (b), the subsidies under sections 2 and 3 of this chapter continue:

- (1) until:
 - (A) the child becomes eighteen (18) years of age;
 - (B) the child becomes emancipated;
 - (C) the child dies;
 - (D) the child's adoption is terminated; or
 - (E) further order of court;
 whichever occurs first; and
- (2) although the adoptive parents leave the jurisdiction of the court.

(b) The court may order a subsidy granted under this chapter to continue until the adoptive child becomes twenty-one (21) years of age. The court may issue an order under this subsection if:

- (1) the adoptive child files a petition for the order; and
- (2) the court determines that the child is enrolled in:
 - (A) a secondary school;
 - (B) a college or university; or
 - (C) a course of ~~vocational training~~ **career and technical education** leading to gainful employment.

SECTION 167. IC 31-30-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) Except as provided in subsections (b) and (c), the juvenile court's jurisdiction over a delinquent child or a child in need of services and over the child's parent, guardian, or custodian continues until:

- (1) the child becomes twenty-one (21) years of age, unless the court discharges the child and the child's parent, guardian, or custodian at an earlier time; or
- (2) guardianship of the child is awarded to the department of correction.

(b) The juvenile court may, on its own motion, after guardianship of a child is awarded to the

department of correction, reinstate the court's jurisdiction for the purpose of ordering the child's parent, guardian, or custodian to participate in programs operated by or through the department of correction.

(c) The juvenile court's jurisdiction over a parent or guardian of the estate of a child under this section continues until the parent or guardian of the estate has satisfied the financial obligation of the parent or guardian of the estate that is imposed under IC 31-40 (or IC 31-6-4-18 before its repeal).

(d) The jurisdiction of the juvenile court over a proceeding described in IC 31-30-1-1(10) for a guardianship of the person continues until the earlier of the date that:

(1) the juvenile court terminates the guardianship of the person; or

(2) the child becomes:

(A) nineteen (19) years of age, if a child who is at least eighteen (18) years of age is a full-time student in a secondary school or the equivalent level of vocational or **career and technical training; education;** or

(B) eighteen (18) years of age, if clause (A) does not apply.

If the guardianship of the person continues after the child becomes the age specified in subdivision (2), the juvenile court shall transfer the guardianship of the person proceedings to a court having probate jurisdiction in the county in which the guardian of the person resides. If the juvenile court has both juvenile and probate jurisdiction, the juvenile court may transfer the guardianship of the person proceedings to the probate docket of the court.

(e) The jurisdiction of the juvenile court to enter, modify, or enforce a support order under IC 31-40-1-5 continues during the time that the court retains jurisdiction over a guardianship of the person proceeding described in IC 31-30-1-1(10).

(f) At any time, a juvenile court may, with the consent of a probate court, transfer to the probate court guardianship of the person proceedings and any related support order initiated in the juvenile court.

SECTION 168. IC 33-39-1-8, AS AMENDED BY P.L.176-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. (a) After June 30, 2005, this section does not apply to a person who:

(1) holds a commercial driver's license; and

(2) has been charged with an offense involving the operation of a motor vehicle in accordance with the federal Motor Carrier Safety Improvement Act of 1999 (MCSIA) (Public Law 106-159.113 Stat. 1748).

(b) This section does not apply to a person arrested for or charged with:

(1) an offense under IC 9-30-5-1 through IC 9-30-5-5; or

(2) if a person was arrested or charged with an offense under IC 9-30-5-1 through IC 9-30-5-5, an offense involving:

(A) intoxication; or

(B) the operation of a motor vehicle;

if the offense involving intoxication or the operation of a motor vehicle was part of the same episode of criminal conduct as the offense under IC 9-30-5-1 through IC 9-30-5-5.

(c) A prosecuting attorney may withhold prosecution against an accused person if:

(1) the person is charged with a misdemeanor;

(2) the person agrees to conditions of a pretrial diversion program offered by the prosecuting attorney;

(3) the terms of the agreement are recorded in an instrument signed by the person and the prosecuting attorney and filed in the court in which the charge is pending; and

(4) the prosecuting attorney electronically transmits information required by the prosecuting attorneys council concerning the withheld prosecution to the prosecuting attorneys council, in a manner and format designated by the prosecuting attorneys council.

(d) An agreement under subsection (c) may include conditions that the person:

(1) pay to the clerk of the court an initial user's fee and monthly user's fees in the amounts

1 specified in IC 33-37-4-1;

2 (2) work faithfully at a suitable employment or faithfully pursue a course of study or ~~vocational~~

3 **training career and technical education** that will equip the person for suitable employment;

4 (3) undergo available medical treatment or counseling and remain in a specified facility required

5 for that purpose;

6 (4) support the person's dependents and meet other family responsibilities;

7 (5) make restitution or reparation to the victim of the crime for the damage or injury that was

8 sustained;

9 (6) refrain from harassing, intimidating, threatening, or having any direct or indirect contact with

10 the victim or a witness;

11 (7) report to the prosecuting attorney at reasonable times;

12 (8) answer all reasonable inquiries by the prosecuting attorney and promptly notify the

13 prosecuting attorney of any change in address or employment; and

14 (9) participate in dispute resolution either under IC 34-57-3 or a program established by the

15 prosecuting attorney.

16 (e) An agreement under subsection (c)(2) may include other provisions reasonably related to the

17 defendant's rehabilitation, if approved by the court.

18 (f) The prosecuting attorney shall notify the victim when prosecution is withheld under this section.

19 (g) All money collected by the clerk as user's fees under this section shall be deposited in the

20 appropriate user fee fund under IC 33-37-8.

21 (h) If a court withholds prosecution under this section and the terms of the agreement contain

22 conditions described in subsection (d)(6):

23 (1) the clerk of the court shall comply with IC 5-2-9; and

24 (2) the prosecuting attorney shall file a confidential form prescribed or approved by the division

25 of state court administration with the clerk.

26 SECTION 169. IC 34-23-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,

27 2007]: Sec. 1. (a) As used in this section, "child" means an unmarried individual without dependents

28 who is:

29 (1) less than twenty (20) years of age; or

30 (2) less than twenty-three (23) years of age and is enrolled in an institution of higher education

31 or in a ~~vocational~~ **career and technical education** school or program.

32 (b) An action may be maintained under this section against the person whose wrongful act or

33 omission caused the injury or death of a child. The action may be maintained by:

34 (1) the father and mother jointly, or either of them by naming the other parent as a codefendant

35 to answer as to his or her interest;

36 (2) in case of divorce or dissolution of marriage, the person to whom custody of the child was

37 awarded; and

38 (3) a guardian, for the injury or death of a protected person.

39 (c) In case of death of the person to whom custody of a child was awarded, a personal

40 representative shall be appointed to maintain the action for the injury or death of the child.

41 (d) In an action brought by a guardian for an injury to a protected person, the damages inure to the

42 benefit of the protected person.

43 (e) In an action to recover for the death of a child, the plaintiff may recover damages:

44 (1) for the loss of the child's services;

45 (2) for the loss of the child's love and companionship; and

46 (3) to pay the expenses of:

47 (A) health care and hospitalization necessitated by the wrongful act or omission that caused

48 the child's death;

49 (B) the child's funeral and burial;

50 (C) the reasonable expense of psychiatric and psychological counseling incurred by a

1 surviving parent or minor sibling of the child that is required because of the death of the child;
 2 (D) uninsured debts of the child, including debts for which a parent is obligated on behalf of
 3 the child; and
 4 (E) the administration of the child's estate, including reasonable attorney's fees.
 5 (f) Damages may be awarded under this section only with respect to the period of time from the
 6 death of the child until:
 7 (1) the date that the child would have reached:
 8 (A) twenty (20) years of age; or
 9 (B) twenty-three (23) years of age, if the child was enrolled in an institution of higher
 10 education or in a ~~vocational~~ **career and technical education** school or program; or
 11 (2) the date of the child's last surviving parent's death;
 12 whichever first occurs.
 13 (g) Damages may be awarded under subsection (e)(2) only with respect to the period of time from
 14 the death of the child until the date of the child's last surviving parent's death.
 15 (h) Damages awarded under subsection (e)(1), (e)(2), (e)(3)(C), and (e)(3)(D) inure to the benefit
 16 of:
 17 (1) the father and mother jointly if both parents had custody of the child;
 18 (2) the custodial parent, or custodial grandparent, and the noncustodial parent of the deceased
 19 child as apportioned by the court according to their respective losses; or
 20 (3) a custodial grandparent of the child if the child was not survived by a parent entitled to benefit
 21 under this section.
 22 However, a parent or grandparent who abandoned a deceased child while the child was alive is not
 23 entitled to any recovery under this chapter.
 24 SECTION 170. IC 35-38-2-2.3, AS AMENDED BY P.L.60-2006, SECTION 9, AS AMENDED
 25 BY P.L.140-2006, SECTION 24, AND AS AMENDED BY P.L.173-2006, SECTION 24, IS
 26 CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2.3.
 27 (a) As a condition of probation, the court may require a person to do a combination of the following:
 28 (1) Work faithfully at suitable employment or faithfully pursue a course of study or ~~vocational~~
 29 **training career and technical education** that will equip the person for suitable employment.
 30 (2) Undergo available medical or psychiatric treatment and remain in a specified institution if
 31 required for that purpose.
 32 (3) Attend or reside in a facility established for the instruction, recreation, or residence of persons
 33 on probation.
 34 (4) Support the person's dependents and meet other family responsibilities.
 35 (5) Make restitution or reparation to the victim of the crime for damage or injury that was
 36 sustained by the victim. When restitution or reparation is a condition of probation, the court shall
 37 fix the amount, which may not exceed an amount the person can or will be able to pay, and shall
 38 fix the manner of performance.
 39 (6) Execute a repayment agreement with the appropriate governmental entity to repay the full
 40 amount of public relief or assistance wrongfully received, and make repayments according to a
 41 repayment schedule set out in the agreement.
 42 (7) Pay a fine authorized by IC 35-50.
 43 (8) Refrain from possessing a firearm or other deadly weapon unless granted written permission
 44 by the court or the person's probation officer.
 45 (9) Report to a probation officer at reasonable times as directed by the court or the probation
 46 officer.
 47 (10) Permit the person's probation officer to visit the person at reasonable times at the person's
 48 home or elsewhere.
 49 (11) Remain within the jurisdiction of the court, unless granted permission to leave by the court
 50 or by the person's probation officer.

- (12) Answer all reasonable inquiries by the court or the person's probation officer and promptly notify the court or probation officer of any change in address or employment.
- (13) Perform uncompensated work that benefits the community.
- (14) Satisfy other conditions reasonably related to the person's rehabilitation.
- (15) Undergo home detention under IC 35-38-2.5.
- (16) Undergo a laboratory test or series of tests approved by the state department of health to detect and confirm the presence of the human immunodeficiency virus (HIV) antigen or antibodies to the human immunodeficiency virus (HIV), if:
- (A) the person had been convicted of a sex crime listed in IC 35-38-1-7.1(e) and the crime created an epidemiologically demonstrated risk of transmission of the human immunodeficiency virus (HIV) as described in IC 35-38-1-7.1(b)(8); or
 - (B) the person had been convicted of an offense related to a controlled substance listed in IC 35-38-1-7.1(f) and the offense involved the conditions described in IC 35-38-1-7.1(b)(9)(A).
- (17) Refrain from any direct or indirect contact with an individual.
- (18) Execute a repayment agreement with the appropriate governmental entity or with a person for reasonable costs incurred because of the taking, detention, or return of a missing child (as defined in IC 10-13-5-4).
- (19) Periodically undergo a laboratory chemical test (as defined in IC 14-15-8-1) or series of chemical tests as specified by the court to detect and confirm the presence of a controlled substance (as defined in IC 35-48-1-9). The person on probation is responsible for any charges resulting from a test and shall have the results of any test under this subdivision reported to the person's probation officer by the laboratory.
- (20) If the person was confined in a penal facility, execute a reimbursement plan as directed by the court and make repayments under the plan to the authority that operates the penal facility for all or part of the costs of the person's confinement in the penal facility. The court shall fix an amount that:
- (A) may not exceed an amount the person can or will be able to pay;
 - (B) does not harm the person's ability to reasonably be self supporting or to reasonably support any dependent of the person; and
 - (C) takes into consideration and gives priority to any other restitution, reparation, repayment, or fine the person is required to pay under this section.
- (21) Refrain from owning, harboring, or training an animal.
- (22) *Participate in a reentry court program.*
- (b) When a person is placed on probation, the person shall be given a written statement specifying:
- (1) the conditions of probation; and
 - (2) that if the person violates a condition of probation during the probationary period, a petition to revoke probation may be filed before the earlier of the following:
 - (A) One (1) year after the termination of probation.
 - (B) Forty-five (45) days after the state receives notice of the violation.
- (c) As a condition of probation, the court may require that the person serve a term of imprisonment in an appropriate facility at the time or intervals (consecutive or intermittent) within the period of probation the court determines.
- (d) Intermittent service may be required only for a term of not more than sixty (60) days and must be served in the county or local penal facility. The intermittent term is computed on the basis of the actual days spent in confinement and shall be completed within one (1) year. A person does not earn credit time while serving an intermittent term of imprisonment under this subsection. When the court orders intermittent service, the court shall state:
- (1) the term of imprisonment;
 - (2) the days or parts of days during which a person is to be confined; and

1 (3) the conditions.

2 (e) Supervision of a person may be transferred from the court that placed the person on probation
3 to a court of another jurisdiction, with the concurrence of both courts. Retransfers of supervision may
4 occur in the same manner. This subsection does not apply to transfers made under IC 11-13-4 or
5 IC 11-13-5.

6 (f) When a court imposes a condition of probation described in subsection (a)(17):
7 (1) the clerk of the court shall comply with IC 5-2-9; and
8 (2) the prosecuting attorney shall file a confidential form prescribed or approved by the division
9 of state court administration with the clerk.

10 (g) *As a condition of probation, a court shall require a person:*
11 *(1) convicted of an offense described in IC 10-13-6-10;*
12 *(2) who has not previously provided a DNA sample in accordance with IC 10-13-6; and*
13 *(3) whose sentence does not involve a commitment to the department of correction;*
14 *to provide a DNA sample as a condition of probation.*

15 SECTION 171. IC 35-50-6-3.3, AS AMENDED BY SEA 526-2007, SECTION 380, IS
16 AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3.3. (a) In addition to any
17 credit time a person earns under subsection (b) or section 3 of this chapter, a person earns credit time
18 if the person:
19 (1) is in credit Class I;
20 (2) has demonstrated a pattern consistent with rehabilitation; and
21 (3) successfully completes requirements to obtain one (1) of the following:
22 (A) A general educational development (GED) diploma under IC 20-20-6, if the person has
23 not previously obtained a high school diploma.
24 (B) A high school diploma.
25 (C) An associate's degree from an approved postsecondary educational institution (as defined
26 under IC 21-7-13-6(a)).
27 (D) A bachelor's degree from an approved postsecondary educational institution (as defined
28 under IC 21-7-13-6(a)).

29 (b) In addition to any credit time that a person earns under subsection (a) or section 3 of this
30 chapter, a person may earn credit time if, while confined by the department of correction, the person:
31 (1) is in credit Class I;
32 (2) demonstrates a pattern consistent with rehabilitation; and
33 (3) successfully completes requirements to obtain at least one (1) of the following:
34 (A) A certificate of completion of a ~~vocational~~ **career and technical** education program
35 approved by the department of correction.
36 (B) A certificate of completion of a substance abuse program approved by the department of
37 correction.
38 (C) A certificate of completion of a literacy and basic life skills program approved by the
39 department of correction.

40 (c) The department of correction shall establish admissions criteria and other requirements for
41 programs available for earning credit time under subsection (b). A person may not earn credit time
42 under both subsections (a) and (b) for the same program of study.

43 (d) The amount of credit time a person may earn under this section is the following:
44 (1) Six (6) months for completion of a state of Indiana general educational development (GED)
45 diploma under IC 20-20-6.
46 (2) One (1) year for graduation from high school.
47 (3) One (1) year for completion of an associate's degree.
48 (4) Two (2) years for completion of a bachelor's degree.
49 (5) Not more than a total of six (6) months of credit, as determined by the department of

correction, for the completion of one (1) or more ~~vocational~~ **career and technical** education programs approved by the department of correction.

(6) Not more than a total of six (6) months of credit, as determined by the department of correction, for the completion of one (1) or more substance abuse programs approved by the department of correction.

(7) Not more than a total of six (6) months credit, as determined by the department of correction, for the completion of one (1) or more literacy and basic life skills programs approved by the department of correction.

However, a person who does not have a substance abuse problem that qualifies the person to earn credit in a substance abuse program may earn not more than a total of twelve (12) months of credit, as determined by the department of correction, for the completion of one (1) or more ~~vocational~~ **career and technical** education programs approved by the department of correction. If a person earns more than six (6) months of credit for the completion of one (1) or more ~~vocational~~ **career and technical** education programs, the person is ineligible to earn credit for the completion of one (1) or more substance abuse programs.

(e) Credit time earned by a person under this section is subtracted from the release date that would otherwise apply to the person after subtracting all other credit time earned by the person.

(f) A person does not earn credit time under subsection (a) unless the person completes at least a portion of the degree requirements after June 30, 1993.

(g) A person does not earn credit time under subsection (b) unless the person completes at least a portion of the program requirements after June 30, 1999.

(h) Credit time earned by a person under subsection (a) for a diploma or degree completed before July 1, 1999, shall be subtracted from:

- (1) the release date that would otherwise apply to the person after subtracting all other credit time earned by the person, if the person has not been convicted of an offense described in subdivision (2); or
- (2) the period of imprisonment imposed on the person by the sentencing court, if the person has been convicted of one (1) of the following crimes:
 - (A) Rape (IC 35-42-4-1).
 - (B) Criminal deviate conduct (IC 35-42-4-2).
 - (C) Child molesting (IC 35-42-4-3).
 - (D) Child exploitation (IC 35-42-4-4(b)).
 - (E) Vicarious sexual gratification (IC 35-42-4-5).
 - (F) Child solicitation (IC 35-42-4-6).
 - (G) Child seduction (IC 35-42-4-7).
 - (H) Sexual misconduct with a minor as a Class A felony, Class B felony, or Class C felony (IC 35-42-4-9).
 - (I) Incest (IC 35-46-1-3).
 - (J) Sexual battery (IC 35-42-4-8).
 - (K) Kidnapping (IC 35-42-3-2), if the victim is less than eighteen (18) years of age.
 - (L) Criminal confinement (IC 35-42-3-3), if the victim is less than eighteen (18) years of age.
 - (M) An attempt or a conspiracy to commit a crime listed in clauses (A) through (L).

(i) The maximum amount of credit time a person may earn under this section is the lesser of:

- (1) four (4) years; or
- (2) one-third (1/3) of the person's total applicable credit time.

(j) The amount of credit time earned under this section is reduced to the extent that application of the credit time would otherwise result in:

- (1) postconviction release (as defined in IC 35-40-4-6); or
- (2) assignment of the person to a community transition program;

1 in less than forty-five (45) days after the person earns the credit time.

2 (k) A person may earn credit time for multiple degrees at the same education level under subsection
3 (d) only in accordance with guidelines approved by the department of correction. The department of
4 correction may approve guidelines for proper sequence of education degrees under subsection (d).

5 SECTION 172. P.L.246-2005, SECTION 36, IS AMENDED TO READ AS FOLLOWS
6 [EFFECTIVE UPON PASSAGE]: SECTION 36. (a) If the budget director determines at any time
7 during the biennium that the executive branch of state government cannot meet its statutory obligations
8 due to insufficient funds in the general fund, then notwithstanding IC 4-10-18, the budget agency, with
9 the approval of the governor and after review by the budget committee, may transfer from the
10 counter-cyclical revenue and economic stabilization fund to the general fund an amount necessary to
11 maintain a positive balance in the general fund.

12 (b) The budget agency shall transfer one hundred million dollars (\$100,000,000) into the
13 counter-cyclical revenue and economic stabilization fund during the state fiscal year ending June 30,
14 2007, unless the budget agency determines there is an insufficient balance in the general fund to make
15 the transfer.

16 (c) (b) This SECTION expires July 2, 2007: 2009.

17 SECTION 173. [EFFECTIVE JULY 1, 2007] (a) As used in this SECTION, "commission"
18 refers to the commission on disproportionality in youth services.

19 (b) As used in this SECTION, "youth services" means the following:

20 (1) Juvenile justice services.

21 (2) Child welfare services.

22 (3) Education services.

23 (4) Mental health services.

24 (c) The commission on disproportionality in youth services is established to develop and
25 provide an implementation plan to evaluate and address disproportionate representation of
26 youth of color in the use of youth services.

27 (d) The commission consists of the following members appointed not later than August 15,
28 2007:

29 (1) The dean or a faculty member of an Indiana accredited graduate school of public
30 administration, social work, education, mental health, or juvenile justice, who shall serve
31 as chairperson of the commission.

32 (2) The state superintendent of public instruction, or the superintendent's designee.

33 (3) The director of the division of mental health and addiction, or the director's designee.

34 (4) The executive director of the Indiana criminal justice institute, or the executive
35 director's designee.

36 (5) The director of the department of child services, or the director's designee.

37 (6) The commissioner of the department of correction, or the commissioner's designee.

38 (7) A division of child services county director from a densely populated county.

39 (8) A faculty member of an Indiana accredited college or university that offers
40 undergraduate degrees in public administration, social work, education, mental health, or
41 juvenile justice.

42 (9) A prosecuting attorney.

43 (10) A juvenile court judge.

44 (11) An attorney who specializes in juvenile law.

45 (12) A representative of the Indiana Minority Health Coalition.

46 (13) A health care provider who specializes in pediatric or emergency medicine.

47 (14) A public agency family case manager.

48 (15) A private agency children's service social worker.

49 (16) A school counselor or social worker.

50 (17) A representative of law enforcement.

1 (18) A guardian ad litem, court appointed special advocate, or other child advocate.
 2 (19) The chairperson of an established advocacy group in Indiana that has previously
 3 investigated the issue of disproportionality in use of youth services.
 4 (20) A young adult who has previous involvement with at least one (1) youth service.
 5 (21) A representative of foster parents or adoptive parents.
 6 (22) A representative of a state teacher's association or a public school teacher.
 7 (23) A child psychiatrist or child psychologist.
 8 (24) A representative of a family support group.
 9 (25) A representative of the National Alliance on Mental Illness.
 10 (26) A representative of the commission on the social status of black males.
 11 (27) A representative of the Indiana Juvenile Detention Association.
 12 (28) A representative of the commission on Hispanic/Latino affairs.
 13 (29) A representative of the civil rights commission.
 14 (30) Two (2) members of the house of representatives appointed by the speaker of the house
 15 of representatives. The members appointed under this subdivision may not be members of
 16 the same political party and serve as nonvoting members.
 17 (31) Two (2) members of the senate appointed by the president pro tempore of the senate.
 18 The members appointed under this subdivision may not be members of the same political
 19 party and serve as nonvoting members.
 20 The governor shall appoint the members under subdivisions (1), (7), (10), (13), (16), (19), (22),
 21 (25), (28), and (29). The speaker of the house of representatives shall appoint the members under
 22 subdivisions (8), (11), (14), (17), (20), (23), (26), and (30). The president pro tempore of the senate
 23 shall appoint the members under subdivisions (9), (12), (15), (18), (21), (24), (27), and (31).
 24 Vacancies shall be filled by the appointing authority for the remainder of the unexpired term.
 25 (e) Each member of the commission shall have an interest in or influence on evaluating and
 26 addressing disproportionate representation of youth of color in the use of youth services.
 27 (f) A majority of the voting members of the commission constitutes a quorum.
 28 (g) The Indiana accredited graduate school represented by the chairperson of the commission
 29 under subsection (d)(1) shall staff the commission.
 30 (h) The commission shall meet at the call of the chairperson and shall meet as often as
 31 necessary to carry out the purposes of this SECTION.
 32 (i) Each member of the commission who is not a state employee is entitled to the minimum
 33 salary per diem provided by IC 4-10-11-2.1(b). The member is also entitled to reimbursement
 34 for traveling expenses as provided under IC 4-13-1-4 and other expenses actually incurred in
 35 connection with the member's duties as provided in the state policies and procedures established
 36 by the Indiana department of administration and approved by the budget agency.
 37 (j) Each member of the commission who is a state employee but who is not a member of the
 38 general assembly is entitled to reimbursement for traveling expenses as provided under
 39 IC 4-13-1-4 and other expenses actually incurred in connection with the member's duties as
 40 provided in the state policies and procedures established by the Indiana department of
 41 administration and approved by the budget agency.
 42 (k) Each member of the commission who is a member of the general assembly is entitled to
 43 receive the same per diem, mileage, and travel allowances paid to legislative members of interim
 44 study committees established by the legislative council. Per diem, mileage, and travel allowances
 45 paid under this subsection shall be paid from appropriations made to the legislative council or
 46 the legislative services agency.
 47 (l) The commission's responsibilities include the following:
 48 (1) Reviewing Indiana's public and private child welfare, juvenile justice, mental health,
 49 and education service delivery systems to evaluate disproportionality rates in the use of
 50 youth services by youth of color.

1 (2) Reviewing federal, state, and local funds appropriated to address disproportionality in
2 the use of youth services by youth of color.

3 (3) Reviewing current best practice standards addressing disproportionality in the use of
4 youth services by youth of color.

5 (4) Examining the qualifications and training of youth service providers and making
6 recommendations for a training curriculum and other necessary changes.

7 (5) Recommending methods to improve use of available public and private funds to address
8 disproportionality in the use of youth services by youth of color.

9 (6) Providing information concerning identified unmet youth service needs and providing
10 recommendations concerning the development of resources to meet the identified needs.

11 (7) Suggesting policy, program, and legislative changes related to youth services to
12 accomplish the following:

13 (A) Enhancement of the quality of youth services.

14 (B) Identification of potential resources to promote change to enhance youth services.

15 (C) Reduction of the disproportionality in the use of youth services by youth of color.

16 (8) Preparing a report consisting of the commission's findings and recommendations, and
17 the presentation of an implementation plan to address disproportionate representation of
18 youth of color in use of youth services.

19 (m) In carrying out the commission's responsibilities, the commission shall consider pertinent
20 studies concerning disproportionality in use of youth services by youth of color.

21 (n) The affirmative votes of a majority of the commission's voting members are required for
22 the commission to take action on any measure, including recommendations included in the
23 report required under subsection (l)(8).

24 (o) The commission shall submit the report required under subsection (l)(8) to the governor
25 and to the legislative council not later than August 15, 2008. The report to the legislative council
26 must be in an electronic format under IC 5-14-6. The commission shall make the report
27 available to the public upon request not later than December 1, 2008.

28 (p) There is appropriated from the state general fund one hundred twenty-five thousand
29 (\$125,000) dollars for the period beginning July 1, 2007, and ending December 31, 2008, to carry
30 out the purposes of this SECTION, including the hiring by the chairperson of an individual to
31 serve only to assist the chairperson and members with research, statistical analysis, meeting
32 support, and drafting of the report required under subsection (l)(8).

33 (q) This SECTION expires January 1, 2009.

34 SECTION 174. [EFFECTIVE JULY 1, 2007] There is appropriated to the department of
35 agriculture the following amounts from the state general fund for the following purposes
36 beginning July 1, 2007, and ending June 30, 2009:

37 Acquisition of land and improvements
38 for education outreach and development
39 center \$2,000,000

40 Total operating costs for educational
41 outreach associated through the center \$300,000

42 Total operating costs for development
43 in conservation, bioenergy and natural
44 resources through the center \$300,000

45 (b) The money appropriated by this SECTION does not revert to the state general fund at the
46 close of any state fiscal year but remains available to the department of agriculture until the
47 purpose for which it was appropriated is fulfilled.

48 SECTION 175. [EFFECTIVE JULY 1, 2007] The trustees of Vincennes University may issue
49 and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, for the purpose
50 of constructing, furnishing, and equipping a center for advanced manufacturing and applied

1 technology on the Jasper campus of Vincennes University, if the sum of principal costs of any
2 bonds issued, excluding amounts necessary to provide money for debt service reserves, credit
3 enhancement, or other costs incidental to the issuance of the bonds, does not exceed eight million
4 dollars (\$8,000,000).

5 SECTION 176. [EFFECTIVE JULY 1, 2007] (a) There is appropriated to Vincennes University
6 five million dollars (\$5,000,000) from the state general fund for the construction of a center for
7 advanced manufacturing in Gibson County. The center shall be owned and operated by
8 Vincennes University. The appropriation may be used for:

9 (1) the construction, furnishing, and equipping of the center;

10 (2) purchasing any land necessary for the center; and

11 (3) employing one (1) or more architects or engineers.

12 (b) If any part of the appropriation made by subsection (a) has not been allotted or
13 encumbered before July 1, 2011, the budget agency may determine that:

14 (1) the balance of the appropriation is not available for allotment;

15 (2) the appropriation shall be terminated; and

16 (3) the balance of the appropriation shall revert to the state general fund.

17 SECTION 177. [EFFECTIVE UPON PASSAGE] The trustees of Vincennes University are
18 authorized to acquire, construct, renovate, improve, and equip a multicultural center to be
19 funded from sources other than student fees or state funds or bonds payable from student fees
20 or state funds if the total cost of the project does not exceed five million dollars (\$5,000,000).

21 SECTION 178. [EFFECTIVE JULY 1, 2007] (a) There is appropriated to the Indiana
22 University School of Medicine - South Bend ten million dollars (\$10,000,000) from the state
23 general fund for the construction of the Cancer Research Institute. The facility shall be owned
24 and operated by Indiana University School of Medicine - South Bend.

25 (b) The money appropriated by this SECTION does not revert to the state general fund at the
26 close of any state fiscal year but remains available to Indiana University School of Medicine -
27 South Bend until the purpose for which it was appropriated is fulfilled.

28 SECTION 179. [EFFECTIVE JULY 1, 2007] (a) The trustees of the following institutions may
29 issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, for the
30 following projects if the sum of principal costs of any bond issued, excluding amounts necessary
31 to provide money for debt service reserves, credit enhancement, or other costs incidental to the
32 issuance of the bonds, does not exceed the total authority listed below for that institution:

33	Indiana University South Bend - Arts Building	
34	Renovation	\$27,000,000
35	Indiana University Bloomington - Cyber	
36	Infrastructure Building	18,300,000
37	Indiana University, Purdue University at	
38	Indianapolis - Neurosciences Research Building	20,000,000
39	Indiana University Southeast Medical	
40	Education Center A & E	1,000,000
41	Indiana State University - Life Sciences/Chemistry	
42	Laboratory Renovations	14,800,000
43	Ball State University - Central Campus	
44	Academic Project, Phase I & Utilities	33,000,000
45	Ivy Tech-Fort Wayne Technology Center	
46	and Demolition Costs	26,700,000
47	Ivy Tech - Indianapolis Community College	
48	for the Fall Creek Expansion Project	69,370,000
49	Ivy Tech - Lamkin Center for Instructional	

1	Development and Leadership	1,000,000
2	Ivy Tech - Logansport	16,000,000
3	Ivy Tech - Sellersburg	20,000,000
4	Ivy Tech - Warsaw A & E	1,000,000
5	Ivy Tech - Muncie\Anderson A & E	4,800,000
6	Ivy Tech - Elkhart Phase I	16,000,000
7	Ivy Tech - Greencastle	8,000,000
8	Purdue University Calumet - Gyt Building A & E	2,400,000
9	Purdue University North Central -	
10	Student Services & Recreation Center A & E	1,000,000
11	University of Southern Indiana College of	
12	Business - General Classroom Building	29,900,000
13	Vincennes University - Health and Science	
14	Lab Rehabilitation	2,000,000
15	Indiana University, Purdue University at Fort Wayne	
16	Student Services and Library Complex	24,000,000

(b) The trustees of the following institution may issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for that institution:

Purdue University West Lafayette - Mechanical Engineering Addition	\$33,000,000
--	--------------

The foregoing project is not eligible for fee replacement appropriations.

(c) The trustees of the following institution may issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for that institution:

Purdue University West Lafayette - Boiler No. 6	\$53,000,000
---	--------------

The institution shall invite bids as provided under IC 21-37-3-3. The bids shall be open to inspection by the public.

SECTION 180. [EFFECTIVE JULY 1, 2007] (a) The trustees of the following institution may issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, for the following project if the sum of principal costs of any bond issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for that institution:

Purdue University West Lafayette - Animal Disease Diagnostic Laboratory (BSL-3)	\$30,000,000
---	--------------

(b) The Indiana department of administration, acting on behalf of the Indiana state board of animal health, in recognition of the state board of animal health's statutory functions involving the animal disease diagnostic laboratory, is hereby authorized and directed to enter into a lease agreement, as lessee, with the trustees of Purdue University as lessor, covering animal disease diagnostic laboratory (BSL-3).

SECTION 181. [EFFECTIVE UPON PASSAGE] The trustees of Indiana University may issue and sell bonds under IC 21-35, subject to the approvals required under IC 21-33-3, to provide funds for the acquisition, renovation, expansion, and improvements for the new Athletic Facilities (including all related and subordinate components of the new Athletic facilities) and may undertake the project if the total costs financed by the bond issue, excluding any amount

1 necessary to provide money for debt service reserved, credit enhancement, or other costs
2 incidental to the issuance of the bonds, do not exceed forty-five million dollars (\$45,000,000).
3 Income from the property may include general athletic revenues.

4 SECTION 182. [EFFECTIVE JULY 1, 2007] (a) The purpose of this SECTION is to eliminate
5 the accrued payment delay balances to state educational institutions and IHETS and the Indiana
6 commission for higher education that were created because of the distribution of eleven-twelfths
7 (11/12) of the budgeted amount in the state fiscal year ending June 30, 2002, and a continuation
8 of the practice of delayed payments in subsequent state fiscal years through the state fiscal year
9 ending June 30, 2005.

10 (b) The following definitions apply throughout this section:

11 (1) "IHETS" refers to the Indiana higher education telecommunications system.

12 (2) "State educational institution" has the meaning set forth in IC 21-7-13-32.

13 (c) There is appropriated to the budget agency sixty-two million, fifty-six thousand, eight
14 hundred fifty-four dollars (\$62,056,854) from the state general fund for its use for general repair
15 and rehabilitation or for repair and rehabilitation of dormitories or other student housing of
16 state educational institutions, beginning July 1, 2007, and ending June 30, 2009 as follows:

17 INDIANA UNIVERSITY - TOTAL SYSTEM

18 General Repair and Rehab 24,343,840

19 PURDUE UNIVERSITY - TOTAL SYSTEM

20 General Repair and Rehab 17,189,072

21 INDIANA STATE UNIVERSITY

22 General Repair and Rehab 4,304,740

23 UNIVERSITY OF SOUTHERN INDIANA

24 General Repair and Rehab 1,612,030

25 BALL STATE UNIVERSITY

26 General Repair and Rehab 6,678,810

27 VINCENNES UNIVERSITY

28 General Repair and Rehab 1,804,222

29 IVY TECH COMMUNITY COLLEGE

30 General Repair and Rehab 6,124,142

31 (d) Notwithstanding P.L.246-2005, SECTION 32, the budget agency shall distribute to a state
32 educational institution after June 30, 2007, and before July 1, 2009, the amount appropriated
33 to the state educational institution under subsection (c). The distributions under subsection (c)
34 shall be made as follows:

35 (1) Fifty percent (50%) of the distributions shall be made in one (1) or more installments
36 after June 30, 2007, and before July 1, 2008, on the schedule determined by the budget
37 agency after review of the schedule by the budget committee.

38 (2) Fifty percent (50%) of the distributions shall be made in one (1) or more installments
39 after June 30, 2008, and before July 1, 2009, on the schedule determined by the budget
40 agency after review of the schedule by the budget committee.

41 (3) Each distribution shall be separately allotted.

42 (e) An appropriation under subsection (c) is in addition to the appropriations for general
43 repair and rehabilitation made in P.L.246-2005, SECTION 32, or any other law.
44 Notwithstanding any other law, an appropriation under subsection (c) does not revert to the
45 general fund under IC 4-13-2-19.

46 (f) The amount appropriated under subsection (c), when distributed to a state educational
47 institution, shall be treated as reducing any claim that the total system of the state educational
48 institution has to one-twelfth (1/12) of the amount budgeted for the state educational institution
49 in all line items in HEA 1001-2003, SECTION 9, for the state fiscal year ending June 30, 2005.
50 Subject to subsection (g), the amount of the claim reduction for each state educational institution

1 is equal to the amount distributed to the state educational institution. The amount of the claim
2 reduction for the entire system, and the amount apportioned for each institution individually,
3 shall be computed by the budget agency. The budget agency shall make the final determination.

4 (g) An amount appropriated under subsection (c), when distributed to Indiana University,
5 shall be treated as reducing any claim that IHETS has to one-twelfth (1/12) of the amount
6 budgeted for IHETS in all line items in HEA 1001-2003, SECTION 9, for the state fiscal year
7 ending June 30, 2005. The amount of the claim reduction is a part of the amount distributed to
8 Indiana University - Total System apportioned as determined by the budget agency.

9 (h) Amounts appropriated under subsection (c) shall be treated as reducing any claim to zero
10 dollars (\$0) that the Indiana commission for higher education has to one-twelfth (1/12) of the
11 amount budgeted for the Indiana commission for higher education in all line items in HEA
12 1001-2003, SECTION 9, for the state fiscal year ending June 30, 2005.

13 SECTION 183. [EFFECTIVE JULY 1, 2007] There is appropriated from the state general fund
14 to Ivy Tech Community College one million six hundred thousand dollars (\$1,600,000) for the
15 purpose of making lease payments for the Portage Campus beginning July 1, 2008, and ending
16 June 30, 2009. Any unencumbered amount from the appropriation under this SECTION
17 remaining at the end of a state fiscal year does not revert to the state general fund but remains
18 available for the purposes of the appropriation in subsequent state fiscal years.

19 SECTION 184. [EFFECTIVE JULY 1, 2007] (a) There is appropriated to the Indiana economic
20 development corporation one million dollars (\$1,000,000) from the state general fund for the
21 period beginning July 1, 2007, and ending June 30, 2009, for its use in providing technical and
22 financial assistance to small businesses (as defined in IC 4-22-2.1-4) that engage in global
23 commerce.

24 (b) This SECTION expires June 30, 2009.

25 SECTION 185. [EFFECTIVE JULY 1, 2007] (a) There is appropriated to the Indiana economic
26 development corporation one million dollars (\$1,000,000) from the state general fund for its use
27 in assisting the Indiana small business development center in the operation of the small business
28 development center network, for the period beginning July 1, 2007, and ending June 30, 2009.

29 (b) Money appropriated by this SECTION must be used for the specific purpose described
30 in subsection (a). Money appropriated by this SECTION may not be used to pay the
31 administrative expenses of the Indiana economic development corporation.

32 (c) This SECTION expires June 30, 2009.

33 SECTION 186. [EFFECTIVE JULY 1, 2007] Notwithstanding SECTION 244 of HEA
34 1001-2005, the trustees of Purdue University may issue and sell bonds under IC 21-34, subject
35 to the review by the budget committee required by IC 21-33-3, for the following project if the
36 sum of principal costs of any bond issued, excluding amounts necessary to provide money for
37 debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds,
38 does not exceed the total authority listed below:

39 Purdue University North Central Campus

40 Parking Garage No. 1

8,000,000

41 SECTION 187. [EFFECTIVE UPON PASSAGE] (a) The general assembly finds that the state
42 of Indiana needs additional parking facilities in the area of the state capitol complex and the
43 White River State Park for:

44 (1) employees of the state and the facilities located in the area of the state capitol complex
45 and White River State Park; and

46 (2) visitors to or persons having business at facilities located in the area of the state capitol
47 complex and White River State Park.

48 (b) The general assembly finds that the state of Indiana will have a continuing need for use
49 and occupancy of the parking facilities described in subsection (a).

(c) The general assembly authorizes the Indiana finance authority to proceed with the projects described in subsection (a) under IC 4-13.5-1 and IC 4-13.5-4.

(d) The Indiana finance authority shall present a feasibility plan and cost estimate to the budget committee when the feasibility plan and cost estimate become available.

SECTION 188. IC 27-1-3-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) Except as provided in subsection (g) (f), the commissioner shall collect the following filing fees:

Document	Fee
Articles of incorporation	\$ 350
Amendment of articles of incorporation	\$ 10
Filing of annual statement and consolidated statement	\$ 100
Annual renewal of company license fee	\$ 50
Withdrawal of certificate of authority	\$ 25
Certified statement of condition	\$ 5
Any other document required to be filed by this article	\$ 25

The commissioner shall deposit fees collected under this subsection into the department of insurance fund established by section 28 of this chapter.

(b) The commissioner shall collect a fee of ten dollars (\$10) each time process is served on the commissioner under this title.

(c) The commissioner shall collect the following fees for copying and certifying the copy of any filed document relating to a domestic or foreign corporation:

Per page for copying	As determined by the commissioner but not to exceed actual cost
For the certificate	\$10

(d) Each domestic and foreign insurer and each health maintenance organization shall remit annually to the commissioner for deposit into the department of insurance fund established by ~~IC 27-1-3-28~~ **section 28 of this chapter** one thousand dollars (~~\$350~~) (**\$1,000**) as an internal audit fee. All assessment insurers, farm mutuals, and fraternal benefit societies and health maintenance organizations shall remit to the commissioner for deposit into the department of insurance fund ~~one two hundred fifty dollars (\$100)~~ (**\$250**) annually as an internal audit fee.

(e) Beginning July 1, 1994, each insurer shall remit to the commissioner for deposit into the department of insurance fund established by ~~IC 27-1-3-28~~ **section 28 of this chapter** a fee of thirty-five dollars (\$35) for each policy, rider, and rule, rate, or endorsement filed with the state, including subsequent filings. Except as provided in subsection (f), each policy, rider, rule, rate, or endorsement that is filed as part of a particular product filing or in association with a particular product filing is an individual filing subject to the fee under this subsection. However, each policy, rider, and endorsement filed as part of a particular product filing and associated with that product filing shall be considered to be a single filing and subject only to one (1) thirty-five dollar (~~\$35~~) fee: the total amount of fees paid under this subsection by each insurer for a particular product filing may not exceed one thousand dollars (\$1,000).

(f) Beginning July 1, 2009, a policy, rider, rule, rate, or endorsement that is filed as part of a particular product filing or in association with a particular product filing for a commercial

1 **product described in:**

2 **(1) Class 2(b), Class 2(c), Class 2(d), Class 2(e), Class 2(f), Class 2(g), Class 2(h), Class 2(i),**
3 **Class 2(j), Class 2(k), Class 2(l), or Class 2(m) of IC 27-1-5-1; or**

4 **(2) Class 3 of IC 27-1-5-1;**

5 **is considered to be part of a single filing for which the insurer is subject only to one (1)**
6 **thirty-five dollar (\$35) fee under subsection (e).**

7 ~~(f)~~ **(g)** The commissioner shall pay into the state general fund by the end of each calendar month
8 the amounts collected during that month under subsections ~~(a)~~, (b) and (c).

9 ~~(g)~~ **(h)** The commissioner may not collect fees for quarterly statements filed under IC 27-1-20-33.

10 ~~(h)~~ **(i)** The commissioner may adopt rules under IC 4-22-2 to provide for the accrual and quarterly
11 billing of fees under this section.

12 **SECTION 189. IC 27-1-3-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,**
13 **2007]: Sec. 28. (a) The department of insurance fund is established for the following purposes:**

14 **(1) To provide supplemental funding for the operations of the department of insurance.**

15 **(2) To pay the costs of hiring and employing staff.**

16 **(3) To provide staff salary differentials as necessary to equalize the average salaries and staffing**
17 **levels of the department of insurance with the average salaries and staffing levels reported in the**
18 **most recent Insurance Department Resources Report published by the National Association of**
19 **Insurance Commissioners.**

20 **(4) To enable the department of insurance to maintain accreditation by the National Association**
21 **of Insurance Commissioners.**

22 **(5) To carry out any other purpose determined necessary by the department of insurance**
23 **to carry out the department's duties under this title.**

24 **(b) The fund shall be administered by the commissioner. The following shall be deposited in the**
25 **department of insurance fund:**

26 **(1) Audit fees remitted by insurers to the commissioner under ~~IC 27-1-3-15(d)~~ section 15(d) of**
27 **this chapter.**

28 **(2) Filing fees remitted by insurers to the commissioner under ~~IC 27-1-3-15(e)~~ section 15(a) or**
29 **15(e) of this chapter.**

30 **(3) Any other amounts remitted to the commissioner or the department that are required by rule**
31 **or statute to be deposited into the department of insurance fund.**

32 **(c) The expenses of administering the fund shall be paid from money in the fund.**

33 **(d) The treasurer of state shall invest the money in the fund not currently needed to meet the**
34 **obligations of the fund in the same manner as other public funds may be invested. Interest that accrues**
35 **from these investments shall be deposited in the fund.**

36 **(e) Money in the fund at the end of a particular fiscal year does not revert to the state general fund.**

37 **(f) There is annually appropriated to the department of insurance, for the purposes set forth in**
38 **subsection (a), the entire amount of money deposited in the fund in each year.**

39 **SECTION 190. IC 27-1-15.6-32 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY**
40 **1, 2007]: Sec. 32. (a) The department shall adopt rules under IC 4-22-2 to set fees for licensure under**
41 **this chapter, IC 27-1-15.7, and IC 27-1-15.8.**

42 **(b) Insurance producer and limited lines producer license renewal fees are due every ~~four (4)~~ two**
43 **(2) years. The fee charged by the department every ~~four (4)~~ two (2) years for a:**

44 **(1) resident license is forty dollars (\$40); and**

45 **(2) nonresident license is ninety dollars (\$90).**

46 **(c) Consultant renewal fees are due every twenty-four (24) months.**

47 **(d) Surplus lines producer renewal fees are due ~~annually~~ every two (2) years. The fee charged**
48 **by the department every two (2) years for a:**

49 **(1) resident license is eighty dollars (\$80); and**

1 **(2) nonresident license is one hundred twenty dollars (\$120).**

2 (e) The commissioner may issue a duplicate license for any license issued under this chapter. The
3 fee charged by the commissioner for the issuance of a duplicate:

- 4 (1) insurance producer license;
- 5 (2) surplus lines producer license;
- 6 (3) limited lines producer license; or
- 7 (4) consultant license;

8 may not exceed ten dollars (\$10).

9 **(f) A fee charged and collected under this section shall be deposited into the department of**
10 **insurance fund established by IC 27-1-3-28.**

11 SECTION 191. IC 27-1-25-12.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
12 1, 2007]: Sec. 12.2. (a) An administrator that:

- 13 (1) performs the duties of an administrator in Indiana; and
- 14 (2) does not hold a license issued under section 11.1 of this chapter;

15 shall obtain a nonresident administrator license under this section by filing a uniform application with
16 the commissioner.

17 (b) Unless the commissioner verifies the nonresident administrator's home state license status
18 through an electronic data base maintained by the NAIC or by an affiliate or a subsidiary of the NAIC,
19 a uniform application filed under subsection (a) must be accompanied by a letter of certification from
20 the nonresident administrator's home state, verifying that the nonresident administrator holds a resident
21 administrator license in the home state.

22 (c) A nonresident administrator is not eligible for a nonresident administrator license under this
23 section unless the nonresident administrator is licensed as a resident administrator in a home state that
24 has a law or regulation that is substantially similar to this chapter.

25 (d) Except as provided in subsections (b) and (h), the commissioner shall issue a nonresident
26 administrator license to a nonresident administrator that makes a filing under subsections (a) and (b)
27 upon receipt of the filing.

28 (e) Unless a nonresident administrator is notified by the commissioner that the commissioner is able
29 to verify the nonresident administrator's home state licensure through an electronic data base described
30 in subsection (b), the nonresident administrator shall:

- 31 (1) on September 15 of each year, file a statement with the commissioner affirming that the
32 nonresident administrator maintains a current license in the nonresident administrator's home
33 state; and
- 34 (2) pay a filing fee as required by the commissioner.

35 **The commissioner shall collect a filing fee required under subdivision (2) and deposit the fee into**
36 **the department of insurance fund established by IC 27-1-3-28.**

37 (f) A nonresident administrator that applies for licensure under this section shall:

- 38 (1) produce the accounts of the nonresident administrator;
- 39 (2) produce the records and files of the nonresident administrator for examination; and
- 40 (3) make the officers of the nonresident administrator available to provide information with
41 respect to the affairs of the nonresident administrator;

42 when reasonably required by the commissioner.

43 (g) A nonresident administrator is not required to hold a nonresident administrator license in
44 Indiana if the nonresident administrator's function in Indiana is limited to the administration of life,
45 health, or annuity coverage for a total of not more than one hundred (100) Indiana residents.

46 (h) The commissioner may refuse to issue or may delay the issuance of a nonresident administrator
47 license if the commissioner determines that:

- 48 (1) due to events occurring; or
- 49 (2) based on information obtained;

50 after the nonresident administrator's home state's licensure of the nonresident administrator, the

1 nonresident administrator is unable to comply with this chapter or grounds exist for the home state's
2 revocation or suspension of the nonresident administrator's home state license.

- 3 (i) If the commissioner makes a determination described in subsection (h), the commissioner:
4 (1) shall provide written notice of the determination to the insurance regulator of the nonresident
5 administrator's home state; and
6 (2) may delay the issuance of a nonresident administrator license to the nonresident administrator
7 until the commissioner determines that the nonresident administrator is able to comply with this
8 chapter and that grounds do not exist for the home state's revocation or suspension of the
9 nonresident administrator's home state license.

10 SECTION 192. IC 27-1-25-12.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY
11 1, 2007]: Sec. 12.3. (a) An administrator that is licensed under section 11.1 of this chapter shall, not
12 later than July 1 of each year unless the commissioner grants an extension of time for good cause, file
13 a report for the previous calendar year that complies with the following:

- 14 (1) The report must contain financial information reflecting a positive net worth prepared in
15 accordance with section 11.1(b)(4) of this chapter.
16 (2) The report must be in the form and contain matters prescribed by the commissioner.
17 (3) The report must be verified by at least two (2) officers of the administrator.
18 (4) The report must include the complete names and addresses of insurers with which the
19 administrator had a written agreement during the preceding fiscal year.
20 (5) The report must be accompanied by a filing fee determined by the commissioner.

21 **The commissioner shall collect a filing fee paid under subdivision (5) and deposit the fee into the**
22 **department of insurance fund established by IC 27-1-3-28.**

23 (b) The commissioner shall review a report filed under subsection (a) not later than September 1
24 of the year in which the report is filed. Upon completion of the review, the commissioner shall:

- 25 (1) issue a certification to the administrator:
26 (A) indicating that:
27 (i) the financial statement reflects a positive net worth; and
28 (ii) the administrator is currently licensed and in good standing; or
29 (B) noting deficiencies found in the report; or
30 (2) update an electronic data base that is maintained by the NAIC or by an affiliate or a subsidiary
31 of the NAIC:
32 (A) indicating that the administrator is solvent and in compliance with this chapter; or
33 (B) noting deficiencies found in the report.

34 SECTION 193. IC 27-8-16-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
35 2007]: Sec. 5. (a) A claim review agent may not conduct medical claims review concerning health care
36 services delivered to an enrollee in Indiana unless the claim review agent holds a certificate of
37 registration issued by the department under this chapter.

38 (b) To obtain a certificate of registration under this chapter, a claim review agent must submit to
39 the department an application containing the following:

- 40 (1) The name, address, telephone number, and normal business hours of the claim review agent.
41 (2) The name and telephone number of a person that the department may contact concerning the
42 information in the application.
43 (3) Documentation necessary for the department to determine that the claim review agent is
44 capable of satisfying the minimum requirements set forth in section 7 of this chapter.
45 (c) An application submitted under this section must be:
46 (1) signed and verified by the applicant; and
47 (2) accompanied by an application fee in the amount established under subsection (d).

48 **The commissioner shall deposit an application fee collected under this subsection into the**
49 **department of insurance fund established by IC 27-1-3-28.**

- 50 (d) The department shall set the amount of the application fee required by subsection (c) and

1 section 6(a) of this chapter in the rules adopted under section 14 of this chapter. The amount may not
2 be more than is reasonably necessary to generate revenue sufficient to offset the costs incurred by the
3 department in carrying out the department's responsibilities under this chapter.

4 (e) The department shall issue a certificate of registration to a claim review agent that satisfies the
5 requirements of this section.

6 SECTION 194. IC 27-8-16-5.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
7 2007]: Sec. 5.2. (a) A person may not act as a claim review consultant concerning health care services
8 delivered to an enrollee in Indiana unless the person holds a certificate of registration issued by the
9 department under this chapter.

10 (b) To obtain a certificate of registration under this chapter, a person must submit to the department
11 an application containing the following:

12 (1) The name, address, telephone number, and normal business hours of the person.

13 (2) The name and telephone number of a person that the department may contact concerning the
14 information in the application.

15 (3) Documentation necessary for the department to determine that the person is capable of
16 satisfying the minimum requirements set forth in this chapter.

17 (c) An application submitted under this section must be:

18 (1) signed and verified by the applicant; and

19 (2) accompanied by an application fee in the amount established under subsection (d).

20 **The commissioner shall deposit an application fee collected under this subsection into the**
21 **department of insurance fund established by IC 27-1-3-28.**

22 (d) The department shall set the amount of the application fee required by subsection (c) and
23 section 6(a) of this chapter in the rules adopted under section 14 of this chapter. The amount may not
24 be more than is reasonably necessary to generate revenue sufficient to offset the costs incurred by the
25 department in carrying out the department's responsibilities under this chapter.

26 (e) The department shall issue a certificate of registration to a claim review consultant that satisfies
27 the requirements of this section.

28 SECTION 195. IC 27-8-16-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
29 2007]: Sec. 6. (a) To remain in effect, a certificate of registration issued under this chapter must be
30 renewed on June 30 of each year. To obtain the renewal of a certificate of registration, a claim review
31 agent or a claim review consultant must submit an application to the commissioner. The application
32 must be accompanied by a registration fee in the amount set under section 5(d) of this chapter. **The**
33 **commissioner shall deposit a registration fee collected under this subsection into the department**
34 **of insurance fund established by IC 27-1-3-28.**

35 (b) A certificate of registration issued under this chapter may not be transferred unless the
36 department determines that the person to which the certificate of registration is to be transferred has
37 satisfied the requirements of this chapter.

38 (c) If there is a material change in any of the information set forth in an application submitted under
39 this chapter, the claim review agent or claim review consultant that submitted the application shall
40 notify the department of the change in writing not more than thirty (30) days after the change.

41 SECTION 196. IC 27-8-17-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
42 2007]: Sec. 9. (a) A utilization review agent may not conduct utilization review in Indiana unless the
43 utilization review agent holds a certificate of registration issued by the department under this chapter.

44 (b) To obtain a certificate of registration under this chapter, a utilization review agent must submit
45 to the department an application containing the following:

46 (1) The name, address, telephone number, and normal business hours of the utilization review
47 agent.

48 (2) The name and telephone number of a person that the department may contact concerning the
49 information in the application.

50 (3) Documentation necessary for the department to determine that the utilization review agent

1 is capable of satisfying the minimum requirements set forth in section 11 of this chapter.

2 (c) An application submitted under this section must be:

3 (1) signed and verified by the applicant; and

4 (2) accompanied by an application fee in the amount established under subsection (d).

5 **The commissioner shall deposit an application fee collected under this subsection into the**

6 **department of insurance fund established by IC 27-1-3-28.**

7 (d) The department shall set the amount of the application fee required by subsection (c) and

8 section 10(a) of this chapter in the rules adopted under section 20 of this chapter. The amount may not

9 be more than is reasonably necessary to generate revenue sufficient to offset the costs incurred by the

10 department in carrying out its responsibilities under this chapter.

11 (e) The department shall issue a certificate of registration to a utilization review agent that satisfies

12 the requirements of this section.

13 SECTION 197. IC 27-8-17-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,

14 2007]: Sec. 10. (a) To remain in effect, a certificate of registration issued under this chapter must be

15 renewed on June 30 of each year. To obtain the renewal of a certificate of registration, a utilization

16 review agent must submit an application to the commissioner. The application must be accompanied

17 by a registration fee in the amount set under section 9(d) of this chapter. **The commissioner shall**

18 **deposit a registration fee collected under this subsection into the department of insurance fund**

19 **established by IC 27-1-3-28.**

20 (b) A certificate of registration issued under this chapter may not be transferred unless the

21 department determines that the entity to whom the certificate is to be transferred has satisfied the

22 requirements of this chapter.

23 (c) If there is a material change in any of the information set forth in an application submitted under

24 this chapter, the utilization review agent that submitted the application shall notify the department of

25 the change in writing within thirty (30) days after the change.

26 SECTION 198. IC 27-13-27-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,

27 2007]: Sec. 1. Each health maintenance organization subject to this article shall pay to the

28 commissioner **for deposit into the department of insurance fund established by IC 27-1-3-28** the

29 following fees:

30 (1) Three hundred fifty dollars (\$350) for filing:

31 (A) an application for a certificate of authority; or

32 (B) an application for an amendment to a certificate of authority.

33 (2) Fifty dollars (\$50) for filing each annual report.

34 SECTION 199. IC 27-13-34-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY

35 1, 2007]: Sec. 23. (a) A limited service health maintenance organization subject to this chapter shall

36 pay to the commissioner **for deposit into the department of insurance fund established by**

37 **IC 27-1-3-28** the following fees:

38 (1) For filing an application for a certificate of authority or an amendment to an application, three

39 hundred fifty dollars (\$350).

40 (2) For filing each annual report, fifty dollars (\$50).

41 (b) In addition to the fees required by subsection (a), a limited service health maintenance

42 organization subject to this chapter must pay the fees required by IC 27-1-3-15.

43 SECTION 200. IC 5-20-4-7, AS AMENDED BY P.L.1-2006, SECTION 114, AND AS

44 AMENDED BY P.L.181-2006, SECTION 31, IS CORRECTED AND AMENDED TO READ AS

45 FOLLOWS [EFFECTIVE AUGUST 1, 2007]: Sec. 7. (a) There is established the *affordable* housing

46 ~~trust~~ and community development fund. The fund shall be administered by the *Indiana housing and*

47 *community development* authority under the direction of the *Indiana housing and community*

48 ~~development~~ authority's board.

49 (b) The fund consists of the following resources:

- (1) Appropriations from the general assembly.
- (2) Gifts, ~~and~~ grants, ~~to the fund~~, and donations of any tangible or intangible property from public or private sources.
- (3) Investment income earned on the fund's assets.
- (4) Repayments of loans from the fund.
- (5) Funds borrowed from the board for depositories insurance fund (IC 5-13-12-7).

(6) Money deposited in the fund under IC 6-7-2-17.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(d) The money remaining in the fund at the end of a fiscal year does not revert to the state general fund.

(e) Interest earned on the fund may be used by the *Indiana housing and community development* authority to pay expenses incurred in the administration of the fund.

SECTION 201. IC 6-7-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. A tax is imposed on the distribution of tobacco products in Indiana at the rate of ~~eighteen~~ **twenty-four** percent (~~18%~~) (**24%**) of the wholesale price of the tobacco products. The distributor of the tobacco products is liable for the tax. The tax is imposed at the time the distributor:

- (1) brings or causes tobacco products to be brought into Indiana for distribution;
- (2) manufactures tobacco products in Indiana for distribution; or
- (3) transports tobacco products to retail dealers in Indiana for resale by those retail dealers.

SECTION 202. IC 6-7-2-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE AUGUST 1, 2007]: Sec. 17. The department shall deposit ~~all revenue~~ **twenty-five percent (25%) of the taxes, registration fees, fines, or penalties** collected under this chapter **in the affordable housing and community development fund established by IC 5-20-4-7. The remainder of the taxes, registration fees, fines, or penalties collected under this chapter shall be deposited** as provided in IC 6-7-1-28.1.

SECTION 203. [EFFECTIVE JULY 1, 2007] **IC 6-7-2-7, as amended by this act, applies to transactions occurring after June 30, 2007.**

SECTION 204. IC 6-1.1-30-16 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 16. The department of local government finance is the agency through which public access to information provided for a county to both the department of local government finance and the legislative services agency shall be provided. This information to which this section applies includes information provided under the following:**

- (1) 5-14-1.5-2.**
- (2) 6-1.1-4-18.5.**
- (3) 6-1.1-4-19.5.**
- (4) IC 6-1.1-4-25.**
- (5) IC 6-1.1-5.5-3.**
- (6) IC 6-1.1-11-8.**
- (7) IC 6-1.1-31.5-3.5.**
- (8) IC 6-1.1-33.5-3.**
- (9) IC 36-2-9-20.**

SECTION 205. IC 36-7-15.1-26.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26.2. (a) As used in this section, "depreciable personal property" refers to all of the designated taxpayer's depreciable personal property that is located in the allocation area.

(b) As used in this section, "designated taxpayer" means a taxpayer designated by the commission in a declaratory resolution adopted or amended under section 8 or 10.5 of this chapter, and with respect to which the commission finds that:

(1) taxes to be derived from the taxpayer's depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of that personal property, are needed to pay debt service for bonds issued under section 17 of this chapter or to make payments on leases payable under section 17.1 of this chapter in order to provide local public improvements for a particular allocation area;

(2) the taxpayer's property in the allocation area will consist primarily of industrial, manufacturing, warehousing, research and development, processing, distribution, ~~or~~ transportation, **or convention center hotel** related projects; and

(3) the taxpayer's property in the allocation area will not consist primarily of retail, commercial, or residential projects.

For purposes of subdivision (3), a convention center hotel project is not considered a retail, commercial, or residential project.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 26(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property of designated taxpayers in accordance with the procedures and limitations set forth in this section and section 26 of this chapter. If such a modification is included in the resolution, for purposes of section 26 of this chapter the term "base assessed value" with respect to the depreciable personal property of designated taxpayers means the net assessed value of the depreciable personal property as finally determined for the assessment date immediately preceding:

(1) the effective date of the modification, for modifications adopted before July 1, 1995; and

(2) the adoption date of the modification for modifications adopted after June 30, 1995;

as adjusted under section 26(h) of this chapter.

SECTION 206. [EFFECTIVE JULY 1, 2007] **(a) As used in this SECTION, "committee" refers to the sentencing policy study committee established by subsection (c).**

(b) The general assembly finds that a comprehensive study of sentencing laws and policies is desirable in order to:

(1) ensure that sentencing laws and policies protect the public safety;

(2) establish fairness and uniformity in sentencing laws and policies;

(3) determine whether incarceration or alternative sanctions are appropriate for various categories of criminal offenses; and

(4) maximize cost effectiveness in the administration of sentencing laws and policies.

(c) The sentencing policy study committee is established to evaluate sentencing laws and policies as they relate to:

(1) the purposes of the criminal justice and corrections systems;

(2) the availability of sentencing options; and

(3) the inmate population in department of correction facilities.

If, based on the committee's evaluation under this subsection, the committee determines that changes are necessary or appropriate, the committee shall make recommendations to the general assembly for the modification of sentencing laws and policies and for the addition, deletion, or expansion of sentencing options.

(d) The committee shall do the following:

(1) Evaluate the existing classification of criminal offenses into felony and misdemeanor categories. In determining the proper category for each felony and misdemeanor, the committee shall consider, to the extent they have relevance, the following:

(A) The nature and degree of harm likely to be caused by the offense, including whether the offense involves property, irreplaceable property, a person, a number of persons, or a breach of the public trust.

(B) The deterrent effect a particular classification may have on the commission of the offense.

(C) The current incidence of the offense in Indiana.

- 1 (D) The rights of the victim.
- 2 (2) Recommend structures to be used by a sentencing court in determining the most
- 3 appropriate sentence to be imposed in a criminal case, including any combination of
- 4 imprisonment, probation, restitution, community service, or house arrest. The committee
- 5 shall also consider the following:
- 6 (A) The nature and characteristics of the offense.
- 7 (B) The severity of the offense in relation to other offenses.
- 8 (C) The characteristics of the defendant that mitigate or aggravate the seriousness of the
- 9 criminal conduct and the punishment deserved for that conduct.
- 10 (D) The defendant's number of prior convictions.
- 11 (E) The available resources and capacity of the department of correction, local
- 12 confinement facilities, and community based sanctions.
- 13 (F) The rights of the victim.
- 14 The committee shall include with each set of sentencing structures an estimate of the effect
- 15 of the sentencing structures on the department of correction and local facilities with respect
- 16 to both fiscal impact and inmate population.
- 17 (3) Review community corrections and home detention programs for the purpose of:
- 18 (A) standardizing procedures and establishing rules for the supervision of home
- 19 detainees; and
- 20 (B) establishing procedures for the supervision of home detainees by community
- 21 corrections programs of adjoining counties.
- 22 (4) Determine the long range needs of the criminal justice and corrections systems and
- 23 recommend policy priorities for those systems.
- 24 (5) Identify critical problems in the criminal justice and corrections systems and
- 25 recommend strategies to solve the problems.
- 26 (6) Assess the cost effectiveness of the use of state and local funds in the criminal justice and
- 27 corrections systems.
- 28 (7) Recommend a comprehensive community corrections strategy based on the following:
- 29 (A) A review of existing community corrections programs.
- 30 (B) The identification of additional types of community corrections programs necessary
- 31 to create an effective continuum of corrections sanctions.
- 32 (C) The identification of categories of offenders who should be eligible for sentencing to
- 33 community corrections programs and the impact that changes to the existing system of
- 34 community corrections programs would have on sentencing practices.
- 35 (D) The identification of necessary changes in state oversight and coordination of
- 36 community corrections programs.
- 37 (E) An evaluation of mechanisms for state funding and local community participation
- 38 in the operation and implementation of community corrections programs.
- 39 (F) An analysis of the rate of recidivism of clients under the supervision of existing
- 40 community corrections programs.
- 41 (8) Propose plans, programs, and legislation for improving the effectiveness of the criminal
- 42 justice and corrections systems.
- 43 (9) Evaluate the use of faith based organizations as an alternative to incarceration.
- 44 (10) Study issues related to sex offenders, including:
- 45 (A) lifetime parole;
- 46 (B) GPS or other electronic monitoring;
- 47 (C) a classification system for sex offenders;
- 48 (D) recidivism; and
- 49 (E) treatment.
- 50 (e) The committee may study other topics assigned by the legislative council or as directed by

1 the committee chair. The committee may meet as often as necessary.

2 (f) The committee consists of twenty (20) members appointed as follows:

3 (1) Four (4) members of the senate, not more than two (2) of whom may be affiliated with
4 the same political party, to be appointed by the president pro tempore of the senate.

5 (2) Four (4) members of the house of representatives, not more than two (2) of whom may
6 be affiliated with the same political party, to be appointed by the speaker of the house of
7 representatives.

8 (3) The chief justice of the supreme court or the chief justice's designee.

9 (4) The commissioner of the department of correction or the commissioner's designee.

10 (5) The director of the Indiana criminal justice institute or the director's designee.

11 (6) The executive director of the prosecuting attorneys council of Indiana or the executive
12 director's designee.

13 (7) The executive director of the public defender council of Indiana or the executive
14 director's designee.

15 (8) One (1) person with experience in administering community corrections programs,
16 appointed by the governor.

17 (9) One (1) person with experience in administering probation programs, appointed by the
18 governor.

19 (10) Two (2) judges who exercise juvenile jurisdiction, not more than one (1) of whom may
20 be affiliated with the same political party, to be appointed by the governor.

21 (11) Two (2) judges who exercise criminal jurisdiction, not more than one (1) of whom may
22 be affiliated with the same political party, to be appointed by the governor.

23 (12) One (1) board certified psychologist or psychiatrist who has expertise in treating sex
24 offenders, appointed by the governor to act as a nonvoting advisor to the committee.

25 (g) The chairman of the legislative council shall appoint a legislative member of the
26 committee to serve as chair of the committee. Whenever there is a new chairman of the
27 legislative council, the new chairman may remove the chair of the committee and appoint
28 another chair.

29 (h) If a legislative member of the committee ceases to be a member of the chamber from
30 which the member was appointed, the member also ceases to be a member of the committee.

31 (i) A legislative member of the committee may be removed at any time by the appointing
32 authority who appointed the legislative member.

33 (j) If a vacancy exists on the committee, the appointing authority who appointed the former
34 member whose position is vacant shall appoint an individual to fill the vacancy.

35 (k) The committee shall submit a final report of the results of its study to the legislative
36 council before November 1, 2008. The report must be in an electronic format under IC 5-14-6.

37 (l) The Indiana criminal justice institute shall provide staff support to the committee.

38 (m) Each member of the committee is entitled to receive the same per diem, mileage, and
39 travel allowances paid to individuals who serve as legislative and lay members, respectively, of
40 interim study committees established by the legislative council.

41 (n) The affirmative votes of a majority of the voting members appointed to the committee are
42 required for the committee to take action on any measure, including the final report.

43 (o) Except as otherwise specifically provided by this act, the committee shall operate under
44 the rules of the legislative council. All funds necessary to carry out this act shall be paid from
45 appropriations to the legislative council and legislative services agency.

46 (p) This SECTION expires December 31, 2008.

47 SECTION 207. IC 5-10-1.1-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
48 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3.5. (a) This section applies to an
49 individual who becomes an employee of the state after June 30, 2007.

50 (b) Unless an employee notifies the state that the employee does not want to enroll in the

1 deferred compensation plan, on day thirty-one (31) of the employee's employment:
2 (1) the employee is automatically enrolled in the deferred compensation plan; and
3 (2) the state is authorized to begin deductions as otherwise allowed under this chapter.
4 (c) The auditor of state shall provide written notice to an employee of the provisions of this
5 chapter. The notice provided under this subsection must:
6 (1) be provided:
7 (A) with the employee's first paycheck; and
8 (B) on paper that is a color that is separate and distinct from the color of the employee's
9 paycheck;
10 (2) contain a statement concerning:
11 (A) the purposes of;
12 (B) procedures for notifying the state that the employee does not want to enroll in;
13 (C) the tax consequences of;
14 (D) the details of the state match for employee contribution to;
15 the deferred compensation plan;
16 (3) list the telephone number, electronic mail address, and other contact information for
17 the auditor of state, who serves as plan administrator.
18 (d) Notwithstanding IC 22-2-6, except as provided by subsection (c), the state shall deduct
19 from an employee's compensation as a contribution to the deferred compensation plan
20 established by the state under this chapter an amount equal to the maximum amount of any
21 match provided by the state on behalf of the employee to a defined contribution plan established
22 under section 1.5(a) of this chapter.
23 (e) An employee may contribute to the deferred compensation plan established by the state
24 under this chapter an amount other than the amount described in subsection (d) by affirmatively
25 choosing to contribute:
26 (1) a higher amount;
27 (2) a lower amount; or
28 (3) zero (0).

29 SECTION 208. IC 5-10.1-2-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
30 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: **Sec. 9. (a) The**
31 **agreement shall be modified to exclude services performed by an election official or an election**
32 **worker for calendar year 2007 in which the remuneration paid for such services is less than one**
33 **thousand three hundred dollars (\$1,300), and for each calendar year after 2007 in which the**
34 **remuneration paid is less than the adjusted amount, as described in subsection (b), beginning**
35 **with services performed in the year that this modification was mailed or delivered by other**
36 **means to the Commissioner of Social Security.**

37 (b) The one thousand three hundred dollar (\$1,300) limit on the excludable amount of
38 remuneration paid in a calendar year for the services specified in this modification will be
39 subject to adjustment for calendar years after 2007 to reflect changes in wages in the economy
40 without any further modification of the agreement, with respect to such services performed
41 during such calendar years, in accordance with Section 218(c)(8)(B) of the Social Security Act.

42 (c) This exclusion applies to all coverage groups of the state and its political subdivisions
43 currently (as of the date this modification is executed), including under this agreement and to
44 which the agreement is hereafter made applicable.

45 SECTION 209. IC 12-15-29-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
46 2007]: **Sec. 2. (a) Subject to subsection (b), an insurer shall furnish records or information pertaining**
47 **to the coverage of an individual for the individual's medical costs under an individual or a group policy**
48 **or other obligation, or the medical benefits paid or claims made under a policy or an obligation, if the**
49 **office or its agent does the following:**

1 (1) Requests the information ~~in writing~~ **electronically or by United States mail.**

2 (2) Certifies that the individual is:

3 (A) a Medicaid applicant or recipient; or

4 (B) a person who is legally responsible for the applicant or recipient.

5 (b) The office may request only the records or information necessary to determine whether
6 insurance benefits have been or should have been claimed and paid with respect to items of medical
7 care and services that were received by a particular individual and for which Medicaid coverage would
8 otherwise be available.

9 **SECTION 210. IC 12-15-44 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO**
10 **READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:**

11 **Chapter 44. Coordination of Benefits Study**

12 **Sec. 1. As used in this chapter, "covered entity" has the meaning set forth in 45 CFR 160.103.**

13 **Sec. 2. (a) Before January 1, 2008, the office shall do the following:**

14 (1) **Examine all Medicaid claims paid after January 1, 2001, and before July 1, 2007.**

15 (2) **Determine the claims examined under subdivision (1) that were eligible for payment by**
16 **a third party other than Medicaid.**

17 (3) **Recover the costs associated with the claims determined under subdivision (2) to be**
18 **eligible for payment by a third party other than Medicaid.**

19 (b) **If the office requests a covered entity to furnish information to complete the examination**
20 **required by this section, the covered entity shall furnish the requested information to the office.**

21 **Sec. 3. (a) The office is authorized to transmit the minimum human identifiers in ANSI X.12**
22 **270 inquiries, including the name, gender, and date of birth of a Medicaid recipient, to a covered**
23 **entity licensed or registered to provide health insurance or health care coverage to Indiana**
24 **residents for the purpose of establishing the coverage in force of a Medicaid recipient who**
25 **presents a claim.**

26 (b) **A health plan that receives a message described in subsection (a) from the office or its**
27 **agent shall respond to the office or its agent within twenty-four (24) hours.**

28 (c) **An entity licensed or registered to provide health insurance or health care coverage to**
29 **Indiana residents that refuses an ANSI X. 12 270 message described in subsection (a) that was**
30 **transmitted to the entity by the office or its agent is subject to a fine for each refusal in an**
31 **amount not to exceed one thousand dollars (\$1,000) for each refusal.**

32 (d) **The office may impose the fine described in subsection (c).**

33 **Sec. 4. The office, any medical provider wishing to bill Indiana Medicaid, or any health plan**
34 **has a cause of action for injunctive relief against any health plan that fails to comply with this**
35 **chapter. A plaintiff seeking relief under this section may recover costs of litigation, including**
36 **attorney's fees.**

37 **Sec. 5. If the office or its agent furnishes evidence that a health plan has refused or failed to**
38 **respond to messages described in section 3(a) of this chapter transmitted by the office or its**
39 **agent to the health plan, the attorney general shall:**

40 (1) **subpoena the enrollment data of any entity that refuses or fails to respond to the**
41 **messaging described in section 3(a) of this chapter;**

42 (2) **commence a complaint under 42 U.S.C. 1320d-5 for administrative sanctions under the**
43 **Health Insurance Portability and Accountability Act of 1996 (P.L. 104-191); and**

44 (3) **commence a prosecution under USC 1035 or IC 5-11-5.5 of any entity that refuses or**
45 **fails to respond to the messaging described under section 3(a) of this chapter.**

46 **Sec. 6. (a) If, after the office completes its examination under section 2 of this chapter, the**
47 **office determines that the number of claims determined under section 2(a)(2) of this chapter is**
48 **at least one percent (1%) of the number of claims examined under section 2(a)(1) of this chapter,**
49 **the office shall develop and implement a procedure to improve the coordination of benefits**

1 between:

2 (1) the Medicaid program; and

3 (2) entities that provide health coverage to a Medicaid recipient.

4 (b) If a procedure is developed and implemented under subsection (a), the procedure:

5 (1) must be automated; and

6 (2) must have the capability to determine whether a Medicaid claim is eligible for payment
7 by an entity other than the Medicaid program before the claim is paid under the Medicaid
8 program.

9 SECTION 211. IC 33-33-24-2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
10 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 2. The judge of the Franklin circuit court
11 may appoint one (1) full-time magistrate under IC 33-23-5. The magistrate continues in office
12 until removed by the judge.**

13 SECTION 212. IC 33-33-29-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
14 2007]: **Sec. 6. The judges of the Hamilton superior court may jointly appoint ~~one (1)~~ two (2) full-time
15 magistrate magistrates under IC 33-23-5. The A magistrate continues in office until removed by the
16 judges of the superior court.**

17 SECTION 213. IC 33-33-36-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
18 JANUARY 1, 2008]: **Sec. 3. The Jackson superior court has ~~one (1)~~ judge two (2) judges. who shall
19 hold sessions in Seymour.**

20 SECTION 214. [EFFECTIVE JULY 1, 2007] (a) **The Jackson superior court is not expanded
21 to two (2) judges until January 1, 2008.**

22 (b) **The governor shall appoint a person under IC 3-13-6-1(f) to serve as the initial judge
23 added to the Jackson superior court by IC 33-33-36-3, as amended by this act, before January
24 1, 2008.**

25 (c) **The term of the initial judge appointed under subsection (b) begins January 1, 2008, and
26 ends December 31, 2010.**

27 (d) **The initial election of the judge of the Jackson superior court added by IC 33-33-36-3, as
28 amended by this act, is the general election on November 2, 2010. The term of the initially
29 elected judge begins January 1, 2011.**

30 SECTION 215. IC 33-33-10-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
31 2007]: **Sec. 2. (a) Clark County constitutes the fourth judicial circuit.**

32 (b) **The judges of the Clark circuit court and Clark superior court may jointly appoint ~~one (1)~~ two
33 (2) full-time magistrate magistrates under IC 33-23-5 to serve the circuit and superior courts.**

34 (c) **~~The A~~ magistrate continues in office until removed by the judges of the Clark circuit and
35 superior courts.**

36 SECTION 216. IC 33-30-2-1, AS AMENDED BY P.L.237-2005, SECTION 1, IS AMENDED TO
37 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 1. (a) A county court is established
38 in the following counties:**

39 ~~(1) Floyd County.~~

40 ~~(2) Madison County.~~

41 (b) **However, a county court ~~listed~~ described in subsection (a) is abolished if:**

42 (1) IC 33-33 provides a small claims docket of the circuit court;

43 (2) IC 33-33 provides a small claims docket of the superior court; or

44 (3) IC 33-34 provides a small claims court;

45 for the county in which the county court was established.

46 SECTION 217. IC 33-33-22-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
47 JANUARY 1, 2009]: **Sec. 1. (a) Floyd County constitutes the fifty-second judicial circuit.**

48 (b) **The judges of the Floyd circuit court and Floyd superior court and Floyd county court may
49 jointly appoint one (1) full-time magistrate under IC 33-23-5 to serve the circuit and superior and**

1 county courts.

2 (c) The magistrate continues in office until removed by the judges of the Floyd circuit **and** superior
3 **and county** courts.

4 SECTION 218. IC 33-33-22-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 JANUARY 1, 2009]: Sec. 3. (a) IC 33-29-1-3 does not apply to this section.

6 (b) The Floyd superior court has ~~one (1) judge~~; **three judges**, who shall be elected at the general
7 election every six (6) years in Floyd County. ~~The A~~ judge's term begins January 1 following the judge's
8 election and ends December 31 following the election of the judge's successor.

9 SECTION 219. IC 33-33-22-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
10 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2009]: **Sec. 7. The Floyd superior court has a**
11 **standard small claims and misdemeanor division.**

12 SECTION 220. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2009]:
13 IC 33-30-3-12; IC 33-33-22-6.

14 SECTION 221. [EFFECTIVE JULY 1, 2007] (a) Notwithstanding IC 33-33-22-3, as amended
15 by this act, the Floyd superior court is not expanded from one (1) judge to three (3) judges until
16 January 1, 2009.

17 (b) As of January 1, 2009, the Floyd county court is abolished.

18 (c) Any case pending in the Floyd county court after the close of business on December 31,
19 2008, is transferred on January 1, 2009, to the Floyd superior court established by IC 33-33-22-2.
20 All cases transferred under this subsection that are eligible to be heard by the standard small
21 claims and misdemeanor division, established by IC 33-33-22-7, as added by this act, shall be
22 transferred to the standard small claims and misdemeanor division of the Floyd superior court
23 in accordance with the venue requirements prescribed in Rule 75 of the Indiana Rules of Trial
24 Procedure. A case transferred under this SECTION shall be treated as if the case were filed in
25 the Floyd superior court.

26 (d) On January 1, 2009, all property and obligations of the Floyd county court become the
27 property and obligations of the Floyd superior court.

28 (e) The initial election of the second and third judges of the Floyd superior court added by
29 IC 33-33-22-3, as amended by this act, is the general election on November 4, 2008. The term of
30 a judge elected under this subsection begins January 1, 2009.

31 (f) This SECTION expires January 2, 2009.

32 SECTION 222. [EFFECTIVE UPON PASSAGE]. (a) The definitions in IC 20-18-2 apply
33 throughout this SECTION.

34 (b) The legislative council shall contract with Indiana University's Center for Evaluation and
35 Education Policy for a study of the effectiveness and efficiency of charter schools in Indiana
36 under the terms and conditions specified by the legislative council. The study must provide for
37 a final report to be made before November 1, 2008, to the general assembly in an electronic
38 format under IC 5-14-6 and to the governor. The department of education, charter schools, and
39 sponsors of charter schools shall cooperate with the Center for Evaluation and Education Policy
40 to complete the study.

41 SECTION 223. [EFFECTIVE JULY 1, 2007] Beginning in October 2007, and in every third month
42 thereafter, the department of transportation shall submit a report to the legislative council in an
43 electronic format under IC 5-14-6 and the governor describing the projects that the department of
44 transportation has expended or encumbered money from the appropriation in the state fiscal year
45 for MAJOR MOVES CONSTRUCTION PROGRAM (IC 8-14-14-5) Formal Contract Expense.
46 The report must identify whether the project was listed in the department of transportation
47 project priority list as that list existed on April 29, 2007, the extent to which the expenditures
48 made for the project are consistent with the work contemplated in the list, and any other
49 information that is necessary or appropriate to determining whether expenditures are being
50 made in accordance with the projects contemplated on April 29, 2007, for the year. In addition,

1 the department of transportation shall make presentations to the legislative council or the
2 interim study committee designated by the legislative council concerning the completion of
3 projects from the appropriation, as requested by the legislative council or the committee. After
4 submission of the reports required under this SECTION, the department may request the
5 budget agency to augment the appropriation for Major Moves Construction Program – Formal
6 Projects expense in an amount not to exceed \$50,000,000 for each year of the biennium.

7 SECTION 224. IC 4-12-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO
8 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

9 **Chapter 13. Review of Certain Contracts for Services**

10 **Sec. 1.** As used in this chapter, "state agency" has the meaning set forth in IC 4-13-1-1(b).

11 **Sec. 2. (a)** This section applies only to a contract or an agreement:

12 (1) that is first entered into by:

13 (A) a state agency; and

14 (B) a private contractor or private vendor;

15 after June 30, 2007;

16 (2) in which the initial term of the contract or agreement plus the term of any possible
17 renewal or extension periods is at least four (4) years;

18 (3) under which the amount to be paid by the state agency during the initial term of the
19 contract or agreement plus the term of any possible renewal or extension periods:

20 (A) is at least ten million dollars (\$10,000,000); or

21 (B) is estimated by the state agency to be at least ten million dollars (\$10,000,000); and

22 (4) under which the private contractor or private vendor will provide services that before
23 the effective date of the contract or agreement are provided directly by the employees of
24 the state agency.

25 (b) In addition to any other requirements that must be satisfied, a state agency may not enter
26 into a contract or an agreement described in subsection (a) unless the following requirements
27 are satisfied:

28 (1) At least thirty (30) days before entering into the contract or agreement, the state agency
29 must conduct at least one (1) public hearing on the contract or agreement. The state agency
30 must allow public comments and testimony at the public hearing. The public hearing must
31 be held in compliance with IC 5-14-1.5.

32 (2) Either of the following occurs:

33 (A) At least thirty (30) days before the state agency enters into the contract or
34 agreement, the budget committee makes a recommendation to the budget agency
35 concerning the contract or agreement.

36 (B) The budget committee does not make a recommendation concerning the contract or
37 agreement within thirty (30) days after the chairman of the budget committee is
38 requested by the budget agency to make a recommendation.

39 **Sec. 3. (a)** In addition to any other requirements that must be satisfied, a state agency may
40 have the employees of the state agency directly provide services that are provided by a private
41 contractor or private vendor under a contract or an agreement described in section 2(a) of this
42 chapter only if the following requirements are satisfied:

43 (1) At least thirty (30) days before the employees of the state agency begin directly
44 providing the services, the state agency must conduct at least one (1) public hearing
45 concerning the provision of the services by the employees of the state agency. The state
46 agency must allow public comments and testimony at the public hearing. The public
47 hearing must be held in compliance with IC 5-14-1.5.

48 (2) Either of the following occurs:

49 (A) At least thirty (30) days before employees of the state agency begin directly

1 providing services, the budget committee makes a recommendation to the budget agency
2 concerning the provision of the services by the employees of the state agency.

3 (B) The budget committee does not make a recommendation concerning the provision
4 of the services by the employees of the state agency within thirty (30) days after the
5 chairman of the budget committee is requested by the budget agency to make a
6 recommendation.

7 (b) A state agency is not required to comply with the requirements of subsection (a) if the
8 director or other administrative head of the state agency declares that an emergency exists that
9 requires the employees of the state agency to directly provide the services that were provided
10 by a private contractor or private vendor.

11 SECTION 225. IC 6-1.1-21-10, AS AMENDED BY P.L.159-2006, SECTION 1, IS AMENDED
12 TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) There is established a
13 property tax replacement fund board to consist of the commissioner of the department, the
14 commissioner of the department of local government finance, the director of the budget agency, and
15 two (2) ex officio nonvoting representatives of the general assembly of the state of Indiana. The
16 speaker of the house of representatives shall appoint one (1) member of the house as one (1) of the ex
17 officio nonvoting representatives, and the president pro tempore of the senate shall appoint one (1)
18 senator as the other ex officio nonvoting representative, each to serve at the will of the appointing
19 officer. The commissioner of the department shall be the chairman of the board, and the director of
20 the budget agency shall be the secretary of the board.

21 (b) The schedule to be used after December 31, 2006, and before January 1, 2008, in making
22 distributions to county treasurers during the periods set forth in section 4(b) of this chapter is
23 as follows:

24	January	0.00%
25	February	0.00%
26	March	16.70%
27	April	16.70%
28	May	6.20%
29	June	0.00%
30	July	10.40%
31	August	0.00%
32	September	16.70%
33	October	16.70%
34	November	16.60%
35	December	0.00%

36 (c) The schedule to be used after December 31, 2007, and before January 1, 2009, in making
37 distributions to county treasurers during the periods set forth in section 4(b) of this chapter is
38 as follows:

39	January	0.00%
40	February	0.00%
41	March	16.70%
42	April	16.70%
43	May	11.40%
44	June	0.00%
45	July	5.20%
46	August	0.00%
47	September	16.70%
48	October	16.70%
49	November	16.60%
50	December	0.00%

(b) (d) The schedule to be used **after December 31, 2008**, in making distributions to county treasurers during the periods set forth in section 4(b) of this chapter is as follows:

January	0.00%
February	0.00%
March	16.70%
April	16.70%
May	6.20% 16.70%
June	0.00%
July	10.40% 0.00%
August	0.00%
September	16.70%
October	16.70%
November	16.60%
December	0.00%

The board may authorize the department to distribute the estimated distributions to counties earlier than what is required under section 4(b) of this chapter.

(c) (e) The board is also authorized to transfer funds from the property tax replacement fund for the purpose of providing state tuition support distributions to school corporations as provided in IC 20-20-33 and IC 20-43.

SECTION 226. IC 20-24-6-7, AS AMENDED BY P.L.2-2006, SECTION 105, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) A charter school ~~shall~~ **may** participate in **any of** the following:

(1) The Indiana state teachers' retirement fund in accordance with IC 5-10.4.

(2) The public employees' retirement fund in accordance with IC 5-10.3.

(3) Another employee pension or retirement fund.

(b) **Except as provided in subsection (e)**, a person who teaches in a charter school is a member of the Indiana state teachers' retirement fund. Service in a charter school is creditable service for purposes of IC 5-10.4.

(c) **Except as provided in subsection (e)**, a person who:

(1) is a local school employee of a charter school; and

(2) is not eligible to participate in the Indiana state teachers' retirement fund; is a member of the public employees' retirement fund.

(d) The boards of the Indiana state teachers' retirement fund and the public employees' retirement fund shall implement this section through the organizer of the charter school, subject to and conditioned upon receiving any approvals either board considers appropriate from the Internal Revenue Service and the United States Department of Labor.

(e) Charter school employees may participate in a private pension or retirement program, if the organizer of the charter school offers the opportunity to participate in the program.

SECTION 227. IC 20-26-7-1, AS ADDED BY P.L.1-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) If a governing body of a school corporation determines that any real or personal property:

(1) is no longer needed for school purposes; or

(2) should, in the interests of the school corporation, be exchanged for other property; the governing body may sell or exchange the property in accordance with IC 36-1-11.

(b) Money derived from the sale or exchange of property under this section shall be placed in any school fund:

(1) established under applicable law; and

(2) that the governing body considers appropriate.

(c) A governing body may not make a covenant that prohibits the sale of real property to

1 **another educational institution.**

2 SECTION 228. IC 20-33-8.5-5, AS AMENDED BY P.L.2-2006, SECTION 156, IS AMENDED
3 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. The agreement must provide
4 how the expenses of supervising a student who has been suspended or expelled are funded. A school
5 corporation may not be required to expend more than the ~~target transition to foundation~~ revenue per
6 **adjusted ADM** (as defined in ~~IC 20-43-1-26~~) **IC 20-43-1-29.3**) for each student referred under the
7 agreement.

8 SECTION 229. IC 20-40-6-5, AS ADDED BY P.L.2-2006, SECTION 163, IS AMENDED TO
9 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) Subject to this chapter, the fund is
10 the exclusive fund to be used by a school corporation for the payment of costs attributable to
11 transportation.

12 ~~(b) After June 30, 2005, and before July 1, 2007, a school corporation may budget for and pay costs~~
13 ~~attributable to transportation from the general fund.~~

14 ~~(c)~~ **(b)** Contracted transportation service costs transferred to the school bus replacement fund under
15 IC 20-40-7 are payable from the school bus replacement fund.

16 SECTION 230. IC 20-40-8-19, AS ADDED BY P.L.2-2006, SECTION 163, IS AMENDED TO
17 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 19. This section applies during the
18 period beginning January 1, ~~2006, 2008~~, and ending December 31, ~~2007, 2009~~. Money in the fund may
19 be used to pay for up to one hundred percent (100%) of the following costs of a school corporation:

20 (1) Utility services.

21 (2) Property or casualty insurance.

22 (3) Both utility services and property or casualty insurance.

23 A school corporation's expenditures under this section may not exceed in ~~2006 two and seventy-five~~
24 ~~hundredths percent (2.75%) and in 2007 2008 and in 2009~~ three and five-tenths percent (3.5%) of the
25 school corporation's 2005 calendar year distribution.

26 SECTION 231. IC 20-40-8-20, AS ADDED BY P.L.2-2006, SECTION 163, IS AMENDED TO
27 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 20. Money in the fund may be transferred
28 to another fund and used as provided by law. The laws permitting a transfer of money from the fund
29 include the following:

30 (1) IC 20-20-10-5 (implementation of technology preparation task force).

31 ~~(2) IC 20-40-6-8 (any fund for costs attributable to transportation);~~

32 ~~(3)~~ **(2)** IC 20-40-11-3 (repair and replacement fund).

33 ~~(4)~~ **(3)** IC 20-40-12-6 (self-insurance fund).

34 ~~(5)~~ **(4)** IC 20-49-4-22 (advance for educational technology program).

35 SECTION 232. IC 20-43-1-1, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
36 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. This article expires January 1, ~~2008.~~
37 **2010.**

38 SECTION 233. IC 20-43-1-27, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
39 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 27. "Total ~~target revenue~~" **regular**
40 **program tuition support**" refers to the amount determined under IC 20-43-6-3.

41 SECTION 234. IC 20-43-1-29.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION
42 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 29.3. "Transition to foundation**
43 **revenue per adjusted ADM" refers to the amount determined under IC 20-43-5-9.**

44 SECTION 235. IC 20-43-2-2, AS AMENDED BY P.L.162-2006, SECTION 42, IS AMENDED
45 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 2. The
46 maximum state distribution for a calendar year for all school corporations is:

47 ~~(1)~~ **(1)** the greater of:

48 ~~(A)~~ **(A)** three billion eight hundred two million nine hundred thousand dollars (\$3,802,900,000);

49 **or**

(B) the amount necessary to enable the department of education to make tuition support distributions in 2006 in accordance with IC 21-1-30 and this article without requiring a reduction in the amount distributed for tuition support under this section;

in 2006; and

(2) ~~(1)~~ three billion ~~seven~~ **eight** hundred ~~forty-seven~~ **twelve** million ~~two~~ **five** hundred thousand dollars (~~\$3,747,200,000~~) **(\$3,812,500,000)** in 2007;

(2) **three billion nine hundred sixty million nine hundred thousand dollars (\$3,960,900,000) in 2008; and**

(3) **four billion one hundred nineteen million six hundred thousand dollars (\$4,119,600,000) in 2009.**

SECTION 236. IC 20-43-2-3, AS AMENDED BY P.L.162-2006, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. ~~(a) Except as provided in subsection (b);~~ If the total amount to be distributed:

(1) as basic tuition support;

(2) for academic honors diploma awards;

(3) for primetime distributions;

(4) for special education grants; and

(5) for vocational education grants;

for a particular year exceeds the maximum state distribution for a calendar year, the amount to be distributed for state tuition support under this article to each school corporation during each of the last six (6) months of the year shall be proportionately reduced so that the total reductions equal the amount of the excess.

~~(b) The department of education shall distribute the full amount of tuition support to school corporations in the second six (6) months of 2006 in accordance with this article without a reduction under this section.~~

SECTION 237. IC 20-43-3-1, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 1. If a computation under this article results in a fraction and a rounding rule is not specified, the fraction shall be rounded as follows:

(1) All tax rates shall be computed by rounding the rate to the nearest one-hundredth of a cent (\$0.0001).

(2) **All calculations related to the complexity index shall be computed by rounding to the nearest ten thousandth (0.0001).**

~~(2) (3)~~ **(3)** All tax levies and tuition support distributions shall be computed by rounding the levy or tuition support distribution to the nearest dollar (\$1) amount.

~~(3) All state tuition support distributions shall be computed by rounding the state tuition support distribution to the nearest cent (\$0.01).~~

(4) The fraction calculated in IC 20-43-2-4 shall be computed by rounding to the nearest one millionth (0.000001).

~~(4) (5)~~ **(5)** If a calculation is not covered by subdivision (1), (2), ~~or (3), or (4),~~ the result of the calculation shall be rounded to the nearest ~~ten-thousandth (-0.0001).~~ **one hundredth (0.01).**

SECTION 238. IC 20-43-3-4, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. (a) A school corporation's previous year revenue equals the amount determined under STEP TWO of the following formula:

STEP ONE: Determine the sum of the following:

(A) The school corporation's basic tuition support for the year that precedes the current year.

(B) The school corporation's maximum permissible tuition support levy for the calendar year that precedes the current year, made in determining the school corporation's adjusted tuition support levy for the calendar year.

(C) The school corporation's excise tax revenue for the year that precedes the current year by

1 two (2) years.

2 STEP TWO: Subtract from the STEP ONE result an amount equal to the ~~sum of the following:~~

3 ~~(A) The reduction in the school corporation's state tuition support under any combination of~~

4 ~~subsection (b), subsection (c), IC 20-10.1-2-1 (before its repeal), or IC 20-30-2-4.~~

5 ~~(B) In 2006, the amount of the school corporation's maximum permissible tuition support levy~~

6 ~~attributable to the levy transferred from the school corporation's general fund to the school~~

7 ~~corporation's referendum tax levy fund under IC 20-46-1-6.~~

8 (b) A school corporation's previous year revenue must be reduced if:

9 (1) the school corporation's state tuition support for special or vocational education is reduced

10 as a result of a complaint being filed with the department after December 31, 1988, because the

11 school program overstated the number of children enrolled in special or vocational education

12 programs; and

13 (2) the school corporation's previous year revenue has not been reduced under this subsection

14 more than one (1) time because of a given overstatement.

15 The amount of the reduction equals the amount the school corporation would have received in state

16 tuition support for special and vocational education because of the overstatement.

17 (c) A school corporation's previous year revenue must be reduced if an existing elementary or

18 secondary school located in the school corporation converts to a charter school under IC 20-5.5-11

19 before July 1, 2005, or IC 20-24-11 after June 30, 2005. The amount of the reduction equals the

20 product of:

21 (1) the sum of the amounts distributed to the conversion charter school under IC 20-5.5-7-3.5(c)

22 and IC 20-5.5-7-3.5(d) before July 1, 2005, and IC 20-24-7-3(c) and IC 20-24-7-3(d) after June

23 30, 2005; multiplied by

24 (2) two (2).

25 SECTION 239. IC 20-43-4-6, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO

26 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. (a) In determining ADM, each

27 pupil enrolled in a public school and a nonpublic school is to be counted on a full-time equivalency

28 basis if the pupil:

29 (1) is enrolled in a public school and a nonpublic school;

30 (2) has legal settlement in a school corporation; and

31 (3) receives instructional services from the school corporation.

32 (b) For purposes of this section, full-time equivalency is calculated as follows:

33 STEP ONE: Determine the result of:

34 (A) the number of days instructional services will be provided to the pupil, not to exceed one

35 hundred eighty (180); divided by

36 (B) one hundred eighty (180).

37 STEP TWO: Determine the result of:

38 (A) the pupil's public school instructional time (as defined in IC 20-30-2-1); ~~rounded to the~~

39 ~~nearest one-hundredth (0.01);~~ divided by

40 (B) the actual public school regular instructional day (as defined in IC 20-30-2-2). ~~rounded~~

41 ~~to the nearest one-hundredth (0.01).~~

42 STEP THREE: Determine the result of:

43 (A) the STEP ONE result; multiplied by

44 (B) the STEP TWO result.

45 STEP FOUR: Determine the lesser of one (1) or the result of:

46 (A) the STEP THREE result; multiplied by

47 (B) one and five hundredths (1.05).

48 ~~(c) If the computation for a pupil under subsection (b) results in a fraction, the fraction must be~~

49 ~~rounded to the nearest one-hundredth (0.01).~~

50 SECTION 240. IC 20-43-4-7, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO

1 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 7. (a) This subsection does not apply
2 to a charter school. When calculating adjusted ADM for ~~2006~~ **2008** distributions, this subsection, as
3 effective after December 31, ~~2005~~, **2007**, shall be used to calculate the adjusted ADM for the previous
4 year rather than the calculation used to calculate adjusted ADM for ~~2005~~ **2007** distributions. For
5 purposes of this article, a school corporation's "adjusted ADM" for the current year is the result
6 determined under the following formula:

7 STEP ONE: Determine the sum of the following:

8 (A) The school corporation's ADM for the year preceding the current year by four (4) years
9 multiplied by two-tenths (0.2).

10 (B) The school corporation's ADM for the year preceding the current year by three (3) years
11 multiplied by two-tenths (0.2).

12 (C) The school corporation's ADM for the year preceding the current year by two (2) years
13 multiplied by two-tenths (0.2).

14 (D) The school corporation's ADM for the year preceding the current year by one (1) year
15 multiplied by two-tenths (0.2).

16 (E) The school corporation's ADM for the current year multiplied by two-tenths (0.2).

17 ~~Round the result to the nearest five-tenths (0.5):~~

18 STEP TWO: Determine ~~the sum of:~~

19 ~~(A) the school corporation's ADM for the year preceding the current year; plus~~

20 ~~(B) the product of:~~

21 ~~(i) the school corporation's ADM for the current year. minus the clause (A) amount;~~
22 ~~multiplied by~~

23 ~~(ii) seventy-five hundredths (0.75):~~

24 ~~Round the result to the nearest five-tenths (0.5):~~

25 STEP THREE: Determine the greater of the following:

26 (A) The STEP ONE result.

27 (B) The STEP TWO result.

28 (b) A charter school's adjusted ADM for purposes of this article is the charter school's current
29 ADM.

30 SECTION 241. IC 20-43-5-1, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
31 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. A school corporation's **target transition**
32 **to foundation** revenue per **adjusted** ADM for a calendar year is the amount determined under section
33 9 of this chapter.

34 SECTION 242. IC 20-43-5-2, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
35 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. The following amounts must be
36 determined under this chapter to calculate a school corporation's **target transition to foundation**
37 revenue per **adjusted** ADM for a calendar year:

38 (1) The school corporation's complexity index for the calendar year under section 3 of this
39 chapter.

40 (2) The school corporation's foundation amount for the calendar year under section 4 of this
41 chapter.

42 (3) The school corporation's previous year revenue foundation amount for the calendar year under
43 section 5 of this chapter.

44 (4) The school corporation's transition to foundation amount for the calendar year under section
45 6 of this chapter.

46 (5) The school corporation's transition to foundation revenue for the calendar year under section
47 7 of this chapter.

48 ~~(6) The school corporation's guaranteed minimum revenue for the calendar year under section~~
49 ~~8 of this chapter.~~

SECTION 243. IC 20-43-5-3, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. (a) ~~This subsection does not apply to a charter school.~~ A school corporation's complexity index is determined under the following formula:

STEP ONE: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of the population in the school corporation who are at least twenty-five (25) years of age with less than a twelfth grade education.

(2) Determine the quotient of:

(A) one thousand nineteen dollars (\$1,019); divided by

(B) four thousand five hundred seventeen dollars (\$4,517) in 2006 and four thousand five hundred sixty-three dollars (\$4,563) in 2007.

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP TWO: ONE: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of the school corporation's students who were eligible for free or reduced price lunches in the school year ending in 2005: **the later of 2007 or the first year of operation of the school corporation.**

(2) Determine the quotient of **the following:**

(A) one thousand two hundred sixty dollars (\$1,260); **in 2008:**

(i) two thousand two hundred fifty dollars (\$2,250); divided by

(ii) four thousand seven hundred ninety dollars (\$4,790);

divided by and

(B) four thousand five hundred seventeen dollars (\$4,517) in 2006 and four thousand five hundred sixty-three dollars (\$4,563) in 2007. **in 2009:**

(i) two thousand four hundred dollars (\$2,400); divided by

(ii) four thousand eight hundred twenty-five dollars (\$4,825).

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP THREE: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of the school corporation's students who were classified as limited English proficient in the school year ending in 2005.

(2) Determine the quotient of:

(A) four hundred fifty-two dollars (\$452); divided by

(B) four thousand five hundred seventeen dollars (\$4,517) in 2006 and four thousand five hundred sixty-three dollars (\$4,563) in 2007.

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

STEP FOUR: Determine the greater of zero (0) or the result of the following:

(1) Determine the percentage of families in the school corporation with a single parent.

(2) Determine the quotient of:

(A) five hundred fifty-seven dollars (\$557); divided by

(B) four thousand five hundred seventeen dollars (\$4,517) in 2006 and four thousand five hundred sixty-three dollars (\$4,563) in 2007.

(3) Determine the product of:

(A) the subdivision (1) amount; multiplied by

(B) the subdivision (2) amount.

1 STEP FIVE: Determine the greater of zero (0) or the result of the following:

2 (1) Determine the percentage of families in the school corporation with children who are less
3 than eighteen (18) years of age and who have a family income level below the federal income
4 poverty level (as defined in IC 12-15-2-1):

5 (2) Determine the quotient of:

6 (A) three hundred forty-seven dollars (\$347); divided by

7 (B) four thousand five hundred seventeen dollars (\$4,517) in 2006 and four thousand five
8 hundred sixty-three dollars (\$4,563) in 2007.

9 (3) Determine the product of:

10 (A) the subdivision (1) amount; multiplied by

11 (B) the subdivision (2) amount.

12 STEP SIX: Determine the sum of the results in STEP ONE through STEP FIVE:

13 STEP SEVEN: **TWO**: Determine the result of one (1) plus the STEP ~~SIX~~ **ONE** result.

14 STEP ~~EIGHT~~: **THREE**: This STEP applies if the STEP ~~SEVEN~~ **TWO** result is equal to or
15 greater than **at least** one and twenty-five hundredths (1.25). Determine the result of the
16 following:

17 (1) Subtract one and twenty-five hundredths (1.25) from the STEP ~~SEVEN~~ **TWO** result.

18 (2) Multiply the subdivision (1) result by five-tenths (0.5):

19 (3) (2) Determine the result of:

20 (A) the STEP ~~SEVEN~~ **TWO** result; plus

21 (B) the subdivision (2) (1) result.

22 The data to be used in making the calculations under STEP ONE ~~STEP FOUR~~, and STEP FIVE of this
23 subsection must be the data ~~from the 2000 federal decennial census; collected in the annual pupil~~
24 **enrollment count by the department.**

25 (b) A charter school's complexity index is the index determined under subsection (a) for the school
26 corporation in which the charter school is located; However, the complexity index for Campagna
27 Academy Charter School is the complexity index determined under subsection (a) for Gary
28 Community School Corporation.

29 SECTION 244. IC 20-43-5-4, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
30 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. A school corporation's foundation
31 amount for a calendar year is the result determined under STEP TWO of the following formula:

32 STEP ONE: Determine:

33 (A) four thousand five hundred seventeen dollars (\$4,517) in 2006; or

34 (B) four thousand five hundred sixty-three dollars (\$4,563) in 2007:

35 (A) **in 2008, four thousand seven hundred ninety dollars (\$4,790); or**

36 (B) **in 2009, four thousand eight hundred twenty-five dollars (\$4,825).**

37 STEP TWO: Multiply the STEP ONE amount by the school corporation's complexity index.

38 SECTION 245. IC 20-43-5-6, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
39 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. A school corporation's transition
40 to foundation amount for a calendar year is equal to the result determined under STEP THREE of the
41 following formula:

42 STEP ONE: Determine the difference of:

43 (A) the school corporation's foundation amount; minus

44 (B) the school corporation's previous year revenue foundation amount.

45 STEP TWO: Divide the STEP ONE result by:

46 (A) ~~six (6)~~ **four (4)** in 2006; **2008**; or

47 (B) ~~five (5)~~ **three (3)** in 2007: **2009.**

48 STEP THREE: A school corporation's STEP THREE amount is the following:

49 (A) For a charter school **located outside Marion County** that has previous year revenue that

is not greater than zero (0), the charter school's STEP THREE amount is the quotient of:
(i) the school corporation's ~~guaranteed minimum~~ **transition to foundation** revenue for the calendar year where the charter school is located; divided by
(ii) the school corporation's current ADM.

(B) For a charter school located in Marion County that has previous year revenue that is not greater than zero (0), the charter school's STEP THREE amount is the weighted average of the transition to foundation revenue for the school corporations where the students counted in the current ADM of the charter school have legal settlement, as determined under item (iv) of the following formula:

(i) Determine the transition to foundation revenue for each school corporation where a student counted in the current ADM of the charter school has legal settlement.

(ii) For each school corporation identified in item (i), divide the item (i) amount by the school corporation's current ADM.

(iii) For each school corporation identified in item (i), multiply the item (ii) amount by the number of students counted in the current ADM of the charter school that have legal settlement in the particular school corporation.

(iv) Determine the sum of the item (iii) amounts for the charter school.

~~(B)~~ **(C) The STEP THREE amount for a school corporation that is not a charter school described in clause (A) or (B) is the following:**

(i) The school corporation's foundation amount for the calendar year, if the ~~absolute value of the STEP ONE amount is less at least negative fifty dollars (-\$50) and not more than or equal to fifty one hundred dollars (\$50):~~ **(\$100).**

(ii) For ~~2007;~~ **2009**, the school corporation's foundation amount for the calendar year, if the foundation amount in ~~2006~~ **2008** equaled the school corporation's ~~target transition to foundation~~ revenue per ~~adjusted~~ ADM in ~~2006;~~ **2008.**

(iii) The sum of the school corporation's previous year revenue foundation amount and the greater of the school corporation's STEP TWO amount or ~~fifty one hundred dollars (\$50);~~ **(\$100)**, if the school corporation's STEP ONE amount is greater than ~~fifty one hundred dollars (\$50):~~ **(\$100).**

(iv) The difference determined by subtracting ~~the greater of the absolute value of the school corporation's STEP TWO amount or~~ fifty dollars (\$50) from the school corporation's previous year revenue foundation amount, if the school corporation's STEP ONE amount is less than negative fifty dollars (-\$50).

SECTION 246. IC 20-43-5-7, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 7. A school corporation's transition to foundation revenue for a calendar year is equal to **the sum of the following:**

(1) The product of:

~~(1)~~ **(A)** the school corporation's transition to foundation amount for the calendar year; multiplied by

~~(2)~~ **(B)** the school corporation's:

(i) current ADM, if the current ADM for the school corporation is less than one hundred (100); and

(ii) current adjusted ADM, if item (i) does not apply.

(2) Either:

(A) the result of:

(i) one hundred dollars (\$100) for calendar year 2008 and one hundred fifty dollars (\$150) for calendar year 2009; multiplied by

(ii) the school corporation's adjusted ADM;

if the school corporation's current ADM is less than three thousand and six hundred

(3,600) and the amount determined under subdivision (1) is less than the school corporation's previous year revenue; or

(B) the result of:

(i) one hundred dollars (\$100) for calendar year 2008 and one hundred fifty dollars (\$150) for calendar year 2009); multiplied by

(ii) the school corporation's adjusted ADM;

if clause (A) does not apply and the result of the amount under subdivision (1) is less than the result of school corporation's previous year revenue multiplied by nine hundred sixty-five thousandths (0.965).

(C) The school corporation's current adjusted ADM multiplied by the lesser of:

(i) one hundred dollars (\$100); or

(ii) the school corporation's STEP TWO amount under section 6 of this chapter;

if clauses (A) and (B) do not apply, the amount under subdivision (1) is less than the school corporation's previous year revenue, and the school corporation's result under STEP ONE of section 6 of this chapter is greater than zero (0).

(D) Zero (0), if clauses (A), (B), and (C) do not apply; and

(3) This subdivision does not apply to a charter school. Either:

(A) three hundred dollars (\$300) multiplied by the school corporation's current ADM, if the school corporation's current ADM is less than one thousand seven hundred (1,700) and the school corporation's complexity index is greater than one and two-tenths (1.2);

(B) one hundred dollars (\$100) multiplied by the school corporation's current ADM, if the school corporation's current ADM is less than one thousand seven hundred (1,700) and the school corporation's complexity index is greater than one and one-tenth (1.1) and not greater than one and two-tenths (1.2); or

(C) zero (0), if clauses (A) and (B) do not apply.

SECTION 247. IC 20-43-5-9, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 9. A school corporation's **target transition to foundation** revenue per **adjusted** ADM for a calendar year is the quotient of:

(1) the school corporation's ~~guaranteed minimum~~ **target transition to foundation** revenue for the calendar year; divided by

(2) the school corporation's current adjusted ADM.

SECTION 248. IC 20-43-6-2, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. The following amounts must be determined under this chapter to determine a school corporation's basic tuition support:

(1) The school corporation's total ~~target revenue~~ **regular program tuition support** under section 3 of this chapter.

(2) The school corporation's local contribution under section 4 of this chapter.

SECTION 249. IC 20-43-6-3, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. (a) A school corporation's total ~~target revenue~~ **regular program tuition support** for a calendar year is the amount determined under the applicable provision of this section.

(b) This subsection applies to a school corporation that has ~~target transition to foundation~~ revenue per **adjusted** ADM for a calendar year that is not equal to the school corporation's foundation amount for the calendar year. The school corporation's total ~~target revenue~~ **regular program tuition support** for a calendar year is equal to the school corporation's ~~guaranteed minimum transition to foundation~~ revenue for the calendar year.

(c) This subsection applies to a school corporation that has ~~target transition to foundation~~ revenue per **adjusted** ADM for a calendar year that is equal to the school corporation's foundation amount for the calendar year. The school corporation's total ~~target revenue~~ **regular program tuition support** for

1 a calendar year is the sum of the following:

2 (1) The school corporation's foundation amount for the calendar year multiplied by the school
3 corporation's adjusted ADM for the current year.

4 (2) The amount of the annual decrease in federal aid to impacted areas from the year preceding
5 the ensuing calendar year by three (3) years to the year preceding the ensuing calendar year by
6 two (2) years.

7 (3) The part of the school corporation's maximum permissible tuition support levy for the year
8 that equals the original amount of the levy imposed by the school corporation to cover the costs
9 of opening a new school facility or reopening an existing facility during the preceding year.

10 SECTION 250. IC 20-43-6-4, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
11 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. (a) A school corporation's local
12 contribution for a calendar year is the amount determined under the applicable provision of this
13 section.

14 (b) This subsection applies to a school corporation that is not a charter school. Determine the sum
15 of the following:

16 (1) The school corporation's adjusted tuition support levy.

17 (2) The school corporation's excise tax revenue for the year that precedes the current year by one
18 (1) year.

19 (c) This subsection applies to a charter school. Determine the product of:

20 (1) the charter school's ~~guaranteed minimum transition to foundation~~ revenue for the calendar
21 year; multiplied by

22 (2) thirty-five hundredths (0.35).

23 SECTION 251. IC 20-43-6-5, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
24 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. A school corporation's basic tuition
25 support for a calendar year is the difference between:

26 (1) the school corporation's total ~~target revenue~~ **regular program tuition support** for the
27 calendar year; minus

28 (2) the school corporation's local contribution for the calendar year.

29 SECTION 252. IC 20-43-7-6, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
30 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. A school corporation's special
31 education grant for a calendar year is equal to the sum of the following:

32 (1) The nonduplicated count of pupils in programs for severe disabilities multiplied by:

33 **(A) in 2008, eight thousand two hundred forty-six dollars (\$8,246); (\$8,300); and**

34 **(B) in 2009, eight thousand three hundred fifty dollars (\$8,350).**

35 (2) The nonduplicated count of pupils in programs of mild and moderate disabilities multiplied
36 by:

37 **(A) in 2008, two thousand two hundred thirty-eight fifty dollars (\$2,238); (\$2,250); and**

38 **(B) in 2009, two thousand two hundred sixty-five dollars (\$2,265).**

39 (3) The duplicated count of pupils in programs for communication disorders multiplied by:

40 **(A) in 2008, five hundred thirty-one dollars (\$531); and**

41 **(B) in 2009, five hundred thirty-three dollars (\$533).**

42 (4) The cumulative count of pupils in homebound programs multiplied by:

43 **(A) in 2008, five hundred thirty-one dollars (\$531); and**

44 **(B) in 2009, five hundred thirty-three dollars (\$533).**

45 SECTION 253. IC 20-43-9-4, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
46 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 4. For purposes of computation under
47 this chapter, the following shall be used:

48 (1) The staff cost amount for a school corporation:

49 **(A) in 2008, is sixty-nine seventy-two thousand eight hundred eleven dollars (\$69,811);**

1 (\$72,000); and

2 **(B) in 2009, is seventy-four thousand five hundred dollars (\$74,500).**

3 (2) The guaranteed primetime amount for a school corporation is the primetime allocation, before
4 any penalty is assessed under this chapter, that the school corporation would have received under
5 this chapter for the 1999 calendar year or the first year of participation in the program, whichever
6 is later.

7 (3) The following apply to determine whether amounts received under this chapter have been
8 devoted to reducing class size in kindergarten through grade 3 as required by section 2 of this
9 chapter:

10 (A) Except as permitted under section 8 of this chapter, only a licensed teacher who is an
11 actual classroom teacher in a regular instructional program is counted as a teacher.

12 (B) If a school corporation is granted approval under section 8 of this chapter, the school
13 corporation may include as one-third (1/3) of a teacher each classroom instructional aide who
14 meets qualifications and performs duties prescribed by the state board.

15 SECTION 254. IC 20-43-9-6, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO
16 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. A school corporation's primetime
17 distribution for a calendar year under this chapter is the amount determined by the following formula:

18 STEP ONE: Determine the applicable target pupil/teacher ratio for the school corporation as
19 follows:

20 (A) If the school corporation's complexity index is less than one and one-tenth (1.1), the
21 school corporation's target pupil/teacher ratio is eighteen to one (18:1).

22 (B) If the school corporation's complexity index is at least one and one-tenth (1.1) but less
23 than one and two-tenths (1.2), the school corporation's target pupil/teacher ratio is fifteen (15)
24 plus the result determined in item (iii) to one (1):

25 (i) Determine the result of one and two-tenths (1.2) minus the school corporation's
26 complexity index.

27 (ii) Determine the item (i) result divided by one-tenth (0.1).

28 (iii) Determine the item (ii) result multiplied by three (3).

29 (C) If the school corporation's complexity index is at least one and two-tenths (1.2), the school
30 corporation's target pupil/teacher ratio is fifteen to one (15:1).

31 STEP TWO: Determine the result of:

32 (A) the ADM of the school corporation in kindergarten through grade 3 for the current school
33 year; divided by

34 (B) the school corporation's applicable target pupil/teacher ratio, as determined in STEP ONE.

35 STEP THREE: Determine the result of:

36 (A) the total ~~target revenue~~ **regular program tuition support for 2006 and 2007 the year**
37 multiplied by seventy-five hundredths (0.75); divided by

38 (B) the school corporation's total ADM.

39 STEP FOUR: Determine the result of:

40 (A) the STEP THREE result; multiplied by

41 (B) the ADM of the school corporation in kindergarten through grade 3 for the current school
42 year.

43 STEP FIVE: Determine the result of:

44 (A) the STEP FOUR result; divided by

45 (B) the staff cost amount.

46 STEP SIX: Determine the greater of zero (0) or the result of:

47 (A) the STEP TWO amount; minus

48 (B) the STEP FIVE amount.

49 STEP SEVEN: Determine the result of:

50 (A) the STEP SIX amount; multiplied by

1 (B) the staff cost amount.

2 STEP EIGHT: Determine the greater of the STEP SEVEN amount or the school corporation's

3 guaranteed primetime amount.

4 STEP NINE: A school corporation's amount under this STEP is the following:

5 (A) If the amount the school corporation received under this chapter in the previous calendar

6 year is greater than zero (0), the amount under this STEP is the lesser of:

7 (i) the STEP EIGHT amount; or

8 (ii) the amount the school corporation received under this chapter for the previous calendar

9 year multiplied by one hundred seven and one-half percent (107.5%).

10 (B) If the amount the school corporation received under this chapter in the previous calendar

11 year is not greater than zero (0), the amount under this STEP is the STEP EIGHT amount.

12 SECTION 255. IC 20-45-1-17, AS ADDED BY P.L.2-2006, SECTION 168, IS AMENDED TO

13 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 17. "Previous year property tax rate"

14 **means is the result determined under the following formula:**

15 **STEP ONE: Determine the sum of the following:**

16 (A) The ~~part of the~~ school corporation's previous year ~~general fund property tax rate:~~

17 ~~(1) imposed as a tuition support levy under IC 6-1.1-19-1.5 (before its repeal) or~~

18 ~~IC 20-45-3-11. and~~

19 ~~(2) computed before making~~ (B) Any of the reductions described in IC 21-3-1.7-5 (before its

20 repeal, for computations before July 1, 2006) or required to compute the school corporation's

21 adjusted tuition support levy (for computations after June 30, 2006).

22 **STEP TWO: Divide the assessed value of taxable property in the school corporation by one**

23 **hundred (100).**

24 **STEP THREE: Divide the STEP ONE result by the STEP TWO result.**

25 SECTION 256. IC 20-45-1-21.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION

26 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 21.3. "Total regular program**

27 **tuition support" has the meaning set forth in IC 20-43-1-27.**

28 SECTION 257. IC 20-45-1-21.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION

29 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 21.5. "Transition to foundation**

30 **revenue" has the meaning set forth in IC 20-43-1-29.**

31 SECTION 258. IC 20-45-1-21.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION

32 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 21.7. "Transition to foundation**

33 **revenue per adjusted ADM" has the meaning set forth in IC 20-43-1-29.3.**

34 SECTION 259. IC 20-45-3-5, AS AMENDED BY P.L.162-2006, SECTION 45, IS AMENDED

35 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 5. (a) A school corporation's tax

36 rate floor is the tax rate determined under this section.

37 (b) ~~This subsection applies only if~~ The school corporation's ~~guaranteed minimum revenue for the~~

38 ~~calendar year is not equal to the school corporation's foundation amount revenue for a calendar year.~~

39 The school corporation's tax rate floor for the calendar year is the result under STEP SIX of the

40 following formula:

41 STEP ONE: Divide the school corporation's total assessed value by the school corporation's

42 current ADM.

43 STEP TWO: Divide the STEP ONE result by ten thousand (10,000).

44 STEP THREE: Determine the greater of the following:

45 (A) The STEP TWO result.

46 (B) ~~Thirty-six~~ **Forty-six** dollars ~~and thirty cents (\$36.30):~~ **(\$46).**

47 STEP FOUR: Determine the result under clause (B):

48 (A) Subtract the school corporation's foundation amount revenue for the calendar year from

49 the school corporation's ~~guaranteed minimum revenue~~ **total regular program tuition support**

1 for the calendar year.

2 (B) Divide the clause (A) result by the school corporation's current ADM.

3 STEP FIVE: Divide the STEP FOUR result by the STEP THREE result.

4 STEP SIX: Divide the STEP FIVE result by one hundred (100).

5 (c) This subsection applies only if the school corporation's guaranteed minimum revenue for the

6 calendar year is equal to the school corporation's foundation amount revenue for a calendar year and

7 the STEP ONE result is greater than zero (0). The school corporation's tax rate floor for the calendar

8 year is the result under STEP SEVEN of the following formula:

9 STEP ONE: Add the following:

10 (A) An amount equal to the annual decrease in federal aid to impacted areas from the year

11 preceding the ensuing calendar year by three (3) years to the year preceding the ensuing

12 calendar year by two (2) years.

13 (B) The part of the unadjusted tuition support levy for the year that equals the original amount

14 of the levy imposed by the school corporation to cover the costs of opening a new school

15 facility during the preceding year.

16 STEP TWO: Divide the STEP ONE result by the school corporation's current ADM.

17 STEP THREE: Divide the school corporation's total assessed value by the school corporation's

18 current ADM.

19 STEP FOUR: Divide the STEP THREE result by ten thousand (10,000).

20 STEP FIVE: Determine the greater of the following:

21 (A) The STEP FOUR result.

22 (B) Thirty-six dollars and thirty cents (\$36.30).

23 STEP SIX: Divide the STEP TWO result by the STEP FIVE amount.

24 STEP SEVEN: Divide the STEP SIX result by one hundred (100).

25 SECTION 260. IC 20-45-3-6, AS AMENDED BY P.L.162-2006, SECTION 46, IS AMENDED

26 TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. (a) A school corporation's

27 target property tax rate for a calendar year is the sum of:

28 (1) in:

29 (A) 2006, seventy-two cents (\$0.72); and

30 (B) 2007, the greater of:

31 (i) seventy-two and ninety-two hundredths cents (\$0.7292); or

32 (ii) the rate determined under subsection (b);

33 (A) 2008, seventy-one and thirty-five hundredths cents (\$0.7135); or

34 (B) 2009, seventy-two and eighty-three hundredths cents (\$0.7283); plus

35 (2) if applicable, the school corporation's minimum equalization tax rate.

36 (b) If using the best information available to the department of local government finance, the

37 department of local government finance determines that the **absolute value of the** result of:

38 (1) the lesser of:

39 (A) two billion ~~thirty-five~~ **one hundred twenty-four** million ~~nine~~ **one** hundred thousand

40 dollars (~~\$2,035,900,000~~) (**\$2,124,100,000**); or

41 (B) the result of:

42 (i) the sum of the tuition support levies certified by the department of local government

43 finance for all school corporations for ~~2006; 2007~~; multiplied by

44 (ii) one and ~~forty-one thousandths~~ (~~1.041~~); **three hundred ninety-one ten-thousandths**

45 (**1.0391**); minus

46 (2) the sum of all maximum permissible tuition support levies for all school corporations in ~~2007;~~

47 **2008, excluding the part of the maximum permissible tuition support levy imposed that is**

48 **equal to the original amount of the levy that was first imposed by the school corporation**

49 **in 2008 to cover the costs of operating a new school facility or reopening an existing facility**

1 **during a preceding calendar year**, as determined by using the tax rate specified in ~~subsection~~
2 ~~(a)(1)(B)(i); subsection (a)(1)(A);~~
3 would exceed one million dollars (\$1,000,000) in ~~2007; 2008~~, the department of local government
4 finance, shall, before February 16, ~~2007; 2008~~, adjust the tax rate used in subsection ~~(a)(1)(B)~~
5 **(a)(1)(A)** for ~~2007 2008~~ so that the **absolute value of the** difference determined by subtracting the
6 sum of all maximum permissible tuition support levies ~~(as defined in IC 20-45-1-15)~~ for all school
7 corporations determined by using the adjusted tax rate from the amount determined under subdivision
8 (1) does not exceed one million dollars (\$1,000,000). To carry out this subsection the department of
9 local government finance may increase a school corporation's tax rate and levy to a rate and amount
10 that exceeds the rate originally advertised or fixed by the school corporation. Before adjusting a tax
11 rate under this subsection, the department of local government finance shall review the
12 recommendations of the department of education and the budget agency.

13 **(c) If, using the best information available to the department of local government finance, the**
14 **department of local government finance determines that the absolute value of the result of:**

15 **(1) the lesser of:**

16 **(A) two billion two hundred five million five hundred thousand dollars (\$2,205,500,000);**

17 **or**

18 **(B) the result of:**

19 **(i) the sum of the tuition support levies certified by the department of local**
20 **government finance for all school corporations for 2008, excluding the part of the**
21 **tuition support levies imposed by the school corporation that is equal to the original**
22 **amount of the levy that was first imposed by the school corporation in 2008 to cover**
23 **the costs of operating a new school facility or reopening an existing facility in a**
24 **preceding calendar year; multiplied by**

25 **(ii) one and three hundred eighty-three ten-thousandths (1.0383); minus**

26 **(2) the sum of all maximum permissible tuition support levies for all school corporations**
27 **in 2009, excluding the part of the maximum permissible tuition support levy that is equal**
28 **to the original amount of the levy that was first imposed by the school corporation in 2008**
29 **or 2009 to cover the costs of operating a new school facility or reopening an existing facility**
30 **during a preceding calendar year, as determined by using the tax rate specified in**
31 **subsection (a)(1)(B);**

32 would exceed one million dollars (\$1,000,000) in 2009, the department of local government
33 finance, shall, before February 16, 2009, adjust the tax rate used in subsection (a)(1)(B) for 2009
34 so that the absolute value of the difference determined by subtracting the sum of all maximum
35 permissible tuition support levies for all school corporations determined by using the adjusted
36 tax rate from the amount determined under subdivision (1) does not exceed one million dollars
37 (\$1,000,000). To carry out this subsection, the department of local government finance may
38 increase a school corporation's tax rate and levy to a rate and amount that exceeds the rate
39 originally advertised or fixed by the school corporation. Before adjusting a tax rate under this
40 subsection, the department of local government finance shall review the recommendations of the
41 department of education and the budget agency.

42 SECTION 261. IC 20-45-3-9, AS ADDED BY P.L.2-2006, SECTION 168, IS AMENDED TO
43 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 9. (a) A school corporation's
44 equalization tax rate for a calendar year is the tax rate determined under this section.

45 (b) If the school corporation's adjusted target property tax rate exceeds the school corporation's
46 previous year property tax rate, the school corporation's equalization tax rate for a calendar year is the
47 school corporation's previous year property tax rate after increasing the rate by the lesser of:

48 (1) the school corporation's equalization tax rate limit for the calendar year; or

49 (2) in:

1 **(A) 2008, two cents (\$0.02); and**

2 **(B) 2009, three cents (\$0.03).**

3 (c) If the school corporation's adjusted target property tax rate is less than the school corporation's
4 previous year property tax rate, the school corporation's equalization tax rate for a calendar year is the
5 school corporation's previous year property tax rate after reducing the rate by the lesser of:

6 (1) the absolute value of the school corporation's equalization tax rate limit; or

7 (2) ~~eight five cents (\$0.08);~~ **(\$0.05).**

8 (d) If the school corporation's adjusted target property tax rate equals the school corporation's
9 previous year property tax rate, the school corporation's equalization tax rate for a calendar year is the
10 school corporation's adjusted target property tax rate.

11 SECTION 262. IC 20-45-3-11, AS ADDED BY P.L.2-2006, SECTION 168, IS AMENDED TO
12 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 11. A school corporation's tuition
13 support levy for a calendar year is the sum of the following:

14 (1) The school corporation's equalized levy for the calendar year.

15 (2) An amount equal to the annual decrease in federal aid to impacted areas from the year
16 preceding the ensuing calendar year by three (3) years to the year preceding the ensuing calendar
17 year by two (2) years.

18 (3) The part of the maximum permissible tuition support levy for the year that equals the original
19 amount of the levy by the school corporation to cover the costs of opening a new school facility
20 or reopening an existing facility during the preceding year.

21 (4) The amount determined under STEP FOUR of the following formula:

22 STEP ONE: Determine the ~~target~~ **transition to foundation** revenue per **adjusted** ADM for
23 each charter school that included at least one (1) student who has legal settlement in the
24 school corporation in the charter school's current ADM.

25 STEP TWO: For each charter school, multiply the STEP ONE amount by the number of
26 students who have legal settlement in the school corporation and who are included in the
27 charter school's current ADM.

28 STEP THREE: Determine the sum of the STEP TWO amounts.

29 STEP FOUR: Multiply the STEP THREE amount by thirty-five hundredths (0.35).

30 SECTION 263. IC 20-46-4-6, AS ADDED BY P.L.2-2006, SECTION 169, IS AMENDED TO
31 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 6. The levy may not exceed

32 ~~(+)~~ the amount determined by multiplying:

33 ~~(A)~~ **(1)** the school corporation's levy for the fund for the previous year under IC 21-2-11.5 (before
34 its repeal) or this chapter, as that levy was determined by the department of local government
35 finance in fixing the civil taxing unit's budget, levy, and rate for that preceding calendar year
36 under IC 6-1.1-17 and after eliminating the effects of temporary excessive levy appeals and any
37 other temporary adjustments made to the levy for the calendar year; by

38 ~~(B)~~ **(2)** the assessed value growth quotient determined under IC 6-1.1-18.5-2. ~~plus~~

39 ~~(2) in 2006 and 2007; the amount determined under section 9 of this chapter.~~

40 SECTION 264. IC 20-46-5-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO
41 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 12. (a) If:**

42 **(1) a school corporation enters into a lease agreement with the Indiana bond bank for the**
43 **lease of one (1) or more school buses under IC 5-1.5-4-1(a)(5);**

44 **(2) the lease agreement conforms with the school corporation's ten (10) year school bus**
45 **replacement plan approved by the department of local government finance under section**
46 **9 of this chapter; and**

47 **(3) in the first full fiscal year after the effective date of the lease agreement, there would**
48 **otherwise be a reduction in the levy in an amount equal to the difference between the total**
49 **purchase price of the bus or buses and the total rental payment due under the lease**

1 **agreement;**
2 **the levy in that fiscal year may not be reduced by the amount of the reduction.**
3 **(b) Any or all of the amount of that part of the levy may, on or before the end of the year of**
4 **its collection, be:**
5 **(1) retained in the fund;**
6 **(2) transferred to the school transportation fund established under IC 20-40-6-4; or**
7 **(3) transferred to the capital projects fund established under IC 20-40-8-6.**
8 SECTION 265. IC 20-49-1-3, AS ADDED BY P.L.2-2006, SECTION 172, IS AMENDED TO
9 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3. ~~"Target "~~**"Transition to foundation**
10 revenue per **adjusted** ADM" has the meaning set forth in ~~IC 20-43-1-26~~. **IC 20-43-1-29.3.**
11 SECTION 266. IC 20-49-7-10, AS ADDED BY P.L.2-2006, SECTION 172, IS AMENDED TO
12 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 10. The amount of an advance for
13 operational costs may not exceed the amount determined under STEP THREE of the following
14 formula:
15 STEP ONE: Determine the product of:
16 (A) the charter school's enrollment reported under IC 20-24-7-2(a); multiplied by
17 (B) the charter school's ~~target~~ **transition to foundation** revenue per **adjusted** ADM.
18 STEP TWO: Determine the quotient of:
19 (A) the STEP ONE amount; divided by
20 (B) two (2).
21 STEP THREE: Determine the product of:
22 (A) the STEP TWO amount; multiplied by
23 (B) one and fifteen-hundredths (1.15).
24 SECTION 267. IC 20-49-7-11, AS ADDED BY P.L.2-2006, SECTION 172, IS AMENDED TO
25 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 11. The amount of an advance for
26 operational costs may not exceed the amount determined under STEP FOUR of the following formula:
27 STEP ONE: Determine the quotient of:
28 (A) the charter school's ~~target~~ **transition to foundation** revenue per **adjusted** ADM; divided
29 by
30 (B) two (2).
31 STEP TWO: Determine the difference between:
32 (A) the charter school's current ADM; minus
33 (B) the charter school's ADM of the previous year.
34 STEP THREE: Determine the product of:
35 (A) the STEP ONE amount; multiplied by
36 (B) the STEP TWO amount.
37 STEP FOUR: Determine the product of:
38 (A) the STEP THREE amount; multiplied by
39 (B) one and fifteen-hundredths (1.15).
40 SECTION 268. IC 20-40-6-8 IS REPEALED [EFFECTIVE JULY 1, 2007].
41 SECTION 269. THE FOLLOWING ARE REPEALED [EFFECTIVE JANUARY 1, 2008]:
42 IC 20-43-1-15; IC 20-43-1-26; IC 20-43-5-8; IC 20-45-1-14; IC 20-45-1-19.
43 SECTION 270. IC 21-14-2-6, AS ADDED BY SEA 526-2007, SECTION 255, IS AMENDED TO
44 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. **Subject to section 12 of this chapter,**
45 a state educational institution shall set tuition and fee rates for a two (2) year period.
46 SECTION 271. IC 21-14-2-7, AS ADDED BY SEA 526-2007, SECTION 255, IS AMENDED TO
47 READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. The rates must be set according to the
48 procedure set forth in section 8 of this chapter; and:
49 (1) on or before ~~May~~ **June** 30 of the odd-numbered year; or

(2) ~~thirty (30)~~ **sixty (60)** days after the state budget bill is enacted into law;
whichever is later.

SECTION 272. IC 21-14-2-8, AS ADDED BY SEA 526-2007, SECTION 255, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 8. A state educational institution shall hold a public hearing before adopting a proposed tuition and fee rate increase. The state educational institution shall give public notice of the hearing at least ten (10) days before the hearing. The public notice must include the specific proposal for the tuition and fee rate increase and the expected uses of the revenue to be raised by the proposed increase. The hearing must be held:

- (1) on or before May ~~15~~ **31** of each odd numbered year; or
- (2) ~~fifteen (15)~~ **thirty-one (31)** days after the state budget bill is enacted into law;
whichever is later.

SECTION 273. IC 21-14-2-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 12. (a) For tuition and fees set by a state educational institution before July 1, 2007, a state educational institution must appear before the state budget committee before June 30, 2007. The state budget committee shall review the tuition and fees proposed by the state educational institution under section 8 of this chapter.**

(b) After July 1, 2007, the commission for higher education shall recommend biennially nonbinding tuition targets based on the mission of the state educational institution. The board of trustees of a state educational institution may set a tuition rate that exceeds the tuition target only if the proposed tuition rate is reviewed by both the commission for higher education and the state budget committee before the later of the following:

- (1) June 30 in the odd-numbered year.**
- (2) Sixty (60) days after the state budget is adopted for the biennium beginning in the odd-numbered year.**

SECTION 274. IC 7.1-4-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~Use of Funds.~~ The monies deposited in the postwar construction fund shall be used for construction by the state for the use of:

- (1) penal, benevolent, charitable and educational institutions of the state;
- (2) **public safety projects of the state; and**
- (3) **municipal water and sewer infrastructure improvements necessary or useful for an institution or project described in subdivision (1) or (2).**

SECTION 275. [EFFECTIVE UPON PASSAGE] Notwithstanding IC 4-8.1-1-7, as amended by P.L.235-2005, SECTION 52, any payment made on or after April 1, 2007, by United Air Lines, Inc., to the state of Indiana under the IMC 757/767 Project Agreement, dated December 1, 1994, between the Indiana Economic Development Corporation and United Air Lines, Inc., upon failure to achieve prescribed levels of investment, employment, or wages set forth in the agreement at certain facilities that were financed with the proceeds of bonds issued by the Indiana finance authority under IC 8-21-12, shall be deposited as follows:

- (1) Fifty percent (50%) of the money shall be deposited in the affordable housing and community development fund established by IC 5-20-4-7. The proceeds of any such payments are continuously appropriated for the purposes specified in IC 5-20-4-8. Any such proceeds in the affordable housing and community development fund that remain unexpended at the end of any state fiscal year shall remain in the fund until expended and shall not revert to the state general fund due to United States Internal Revenue Service requirements related to outstanding Indiana finance authority bonds.
- (2) Fifty percent (50%) of the money shall be distributed among the counties that either have at least one (1) unit that has established an affordable housing fund under IC 5-20-5-15.5 or a housing trust fund established under IC 36-7-15.1-35.5(e) in proportion to the population of each county. The money shall be allocated within the county as follows:

1 (A) In a county that does not contain a consolidated city and has at least one (1) unit
2 that has established an affordable housing fund under IC 5-20-5-15.5, the amount to be
3 distributed to each unit that has established an affordable housing fund under
4 IC 5-20-5-15.5 is the amount available for distribution multiplied by a fraction. The
5 numerator of the fraction is the population of the unit. The denominator of the fraction
6 is the population of all units in the county that have established an affordable housing
7 fund. For purposes of allocating an amount to the affordable housing fund established
8 by the county, the population to be used for that unit is the population of the county
9 outside any city or town that has established an affordable housing fund. The allocated
10 amount shall be deposited in the unit's affordable housing fund for the purposes of the
11 fund.

12 (B) In a county to which clause (A) does not apply, the money shall be deposited in the
13 housing trust fund established under IC 36-7-15.1-35.5(e) for the purposes of the fund.

14 SECTION 276. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: For the purposes of
15 applying IC 6-2.5-6-9, IC 6-2.5-6-9, as amended by P.L.184-2006, SECTION 2 (effective July 1,
16 2007), and not IC 6-2.5-6-9, as amended by P.L.162-2006, SECTION 23 (effective January 1,
17 2007), shall be treated as applying to deductions from sales tax remittances after December 31,
18 2006, and before July 1, 2007, to the same extent as if the effective date for IC 6-2.5-6-9, as
19 amended by P.L.184-2006, SECTION 2 had been January 1, 2007.

20 SECTION 277. IC 5-10.3-11-4.7, AS AMENDED BY P.L.28-2006, SECTION 1, IS AMENDED
21 TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4.7. (a) In addition to the amounts
22 distributed under sections 4 and 4.5 of this chapter, each year the state board shall distribute from the
23 pension relief fund to each unit of local government an amount determined under the following
24 STEPS:

25 STEP ONE: Determine the amount of the total pension payments to be made by the unit in the
26 calendar year, as estimated by the state board under section 4 of this chapter.

27 STEP TWO: Determine the result of:

28 (A) the STEP ONE result; multiplied by

29 (B) fifty percent (50%).

30 STEP THREE: Determine the amount to be distributed in the current calendar year to the unit
31 of local government under section 4 of this chapter.

32 STEP FOUR: Determine the greater of zero (0) or the result of:

33 (A) the STEP TWO result; minus

34 (B) the STEP THREE result.

35 (b) The state board shall make the distributions under subsection (a) in two (2) equal installments
36 before July 1 and before October 2 of each year.

37 (c) This section expires January 1, ~~2009~~: 2011.

38 SECTION 278. IC 4-33-6.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
39 2007]: Sec. 5. After selecting the most appropriate operating agent applicant, the commission may
40 enter into an operating agent contract with the person. The operating agent contract must comply with
41 this article and include the following terms and conditions:

42 (1) The operating agent must pay a nonrefundable initial fee of one million dollars (\$1,000,000)
43 to the commission. The fee must be deposited by the commission into the West Baden Springs
44 historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

45 (2) The operating agent must post a bond as required in section 6 of this chapter.

46 (3) The operating agent must implement flexible scheduling.

47 (4) The operating agent must locate the riverboat in a historic hotel district at a location approved
48 by both the commission. and the historic hotel preservation commission established under
49 IC 36-7-11.5.

50 (5) The operating agent must comply with any requirements concerning the exterior design of the

1 riverboat that are approved by both the commission. and the historic hotel preservation
2 ~~commission established under IC 36-7-11.5.~~

3 (6) Notwithstanding any law limiting the maximum length of contracts:

4 (A) the initial term of the contract may not exceed twenty (20) years; and

5 (B) any renewal or extension period permitted under the contract may not exceed twenty (20)
6 years.

7 (7) The operating agent must collect and remit all taxes under IC 4-33-12 and IC 4-33-13.

8 (8) The operating agent must comply with the restrictions on the transferability of the operating
9 agent contract under section 12 of this chapter.

10 SECTION 279. IC 4-33-6.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
11 2007]: Sec. 6. (a) An operating agent must post a bond with the commission at least sixty (60) days
12 before the commencement of regular riverboat operations in the historic hotel district.

13 (b) The bond must be furnished in:

14 (1) cash or negotiable securities;

15 (2) a surety bond:

16 (A) with a surety company approved by the commission; and

17 (B) guaranteed by a satisfactory guarantor; or

18 (3) an irrevocable letter of credit issued by a banking institution of Indiana acceptable to the
19 commission.

20 (c) If a bond is furnished in cash or negotiable securities, the principal shall be placed without
21 restriction at the disposal of the commission, but income inures to the benefit of the operating agent.

22 (d) The bond:

23 (1) is subject to the approval of the commission;

24 (2) must be in an amount that the commission determines will adequately reflect the amount that
25 a local community will expend for infrastructure and other facilities associated with a riverboat
26 operation; and

27 (3) must be payable to the commission as obligee for use in payment of the riverboat's financial
28 obligations to the local community, the state, and other aggrieved parties, as determined by the
29 rules of the commission.

30 Any bond proceeds remaining after the payments shall be deposited in the ~~community trust~~ **West**
31 **Baden Springs historic hotel preservation and maintenance** fund established by ~~IC 36-7-11.5-8.~~
32 **IC 36-7-11.5-11.**

33 (e) If after a hearing (after at least five (5) days written notice) the commission determines that the
34 amount of an operating agent's bond is insufficient, the operating agent shall, upon written demand of
35 the commission, file a new bond.

36 (f) The commission may require an operating agent to file a new bond with a satisfactory surety in
37 the same form and amount if:

38 (1) liability on the old bond is discharged or reduced by judgment rendered, payment made, or
39 otherwise; or

40 (2) in the opinion of the commission any surety on the old bond becomes unsatisfactory.

41 (g) If a new bond obtained under subsection (e) or (f) is unsatisfactory, the commission shall cancel
42 the operating agent's contract. If the new bond is satisfactorily furnished, the commission shall release
43 in writing the surety on the old bond from any liability accruing after the effective date of the new
44 bond.

45 (h) A bond is released on the condition that the operating agent remains at the site of the riverboat
46 operating within the historic hotel district:

47 (1) for five (5) years; or

48 (2) until the date the commission enters into a contract with another operating agent to operate
49 from the site for which the bond was posted;

50 whichever occurs first.

(i) An operating agent who does not meet the requirements of subsection (h) forfeits a bond filed under this section. The proceeds of a bond that is in default under this subsection are paid to the commission and used in the same manner as specified in subsection (d).

(j) The total liability of the surety on a bond is limited to the amount specified in the bond, and the continuous nature of the bond may not be construed as allowing the liability of the surety under a bond to accumulate for each successive approval period during which the bond is in force.

(k) A bond filed under this section is released sixty (60) days after:

(1) the time specified under subsection (h); and

(2) a written request is submitted by the operating agent.

SECTION 280. IC 4-33-12-6, AS AMENDED BY P.L.4-2005, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 6. (a) The department shall place in the state general fund the tax revenue collected under this chapter.

(b) Except as provided by subsections (c) and (d) and IC 6-3.1-20-7, the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat that has implemented flexible scheduling under IC 4-33-6-21 during the quarter shall be paid to:

(A) the city in which the riverboat is docked, if the city:

(i) is located in a county having a population of more than one hundred ten thousand (110,000) but less than one hundred fifteen thousand (115,000); or

(ii) is contiguous to the Ohio River and is the largest city in the county; and

(B) the county in which the riverboat is docked, if the riverboat is not docked in a city described in clause (A).

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county in which the riverboat is docked. In the case of a county described in subdivision (1)(B), this one dollar (\$1) is in addition to the one dollar (\$1) received under subdivision (1)(B).

(3) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the county convention and visitors bureau or promotion fund for the county in which the riverboat is docked.

(4) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during a quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the state fair commission, for use in any activity that the commission is authorized to carry out under IC 15-1.5-3.

(5) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under

IC 4-33-6-21;
shall be paid to the division of mental health and addiction. The division shall allocate at least twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and treatment of compulsive gambling.

(6) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected by the licensed owner for each person embarking on a gambling excursion during the quarter or admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows, in amounts determined by the Indiana horse racing commission, for the promotion and operation of horse racing in Indiana:

(A) To one (1) or more breed development funds established by the Indiana horse racing commission under IC 4-31-11-10.

(B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31. The commission may make a grant under this clause only for purses, promotions, and routine operations of the racetrack. No grants shall be made for long term capital investment or construction, and no grants shall be made before the racetrack becomes operational and is offering a racing schedule.

(c) With respect to tax revenue collected from a riverboat located in a historic hotel district, the treasurer of state shall quarterly pay the following amounts:

(1) ~~Twenty-five~~ **Twenty-two percent (22%)** of the admissions tax collected during the quarter shall be paid to the county treasurer of the county in which the riverboat is docked. The county treasurer shall distribute the money received under this subdivision as follows:

(A) ~~Twenty~~ **Twenty-two and seventy-five hundredths percent (22.75%)** shall be quarterly distributed to the county treasurer of a county having a population of more than thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) ~~Twenty~~ **Twenty-two and seventy-five hundredths percent (22.75%)** shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) ~~Sixty~~ **Fifty-four and five tenths percent (54.5%)** shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. ~~The county fiscal body shall provide for the distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:~~

(i) (2) Five percent (5%) of the admissions tax collected during the quarter shall be paid to a town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). At least twenty percent (20%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.

(ii) (3) Five percent (5%) of the admissions tax collected during the quarter shall be paid

to a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). **At least twenty percent (20%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.**

~~(2) Sixteen~~ **(4) Twenty** percent ~~(16%)~~ **(20%)** of the admissions tax collected during the quarter shall be paid in equal amounts to each town that:

(A) is located in the county in which the riverboat docks; and

(B) contains a historic hotel.

~~The town council shall appropriate a part of the money received by the town under this subdivision to the budget of the town's tourism commission.~~ **At least twenty percent (20%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.**

~~(3) Nine~~ **(5) Ten** percent ~~(9%)~~ **(10%)** of the admissions tax collected during the quarter shall be paid to the ~~historic hotel preservation~~ **Orange County development** commission established under IC 36-7-11.5. **At least one-third (1/3) of the taxes paid to the Orange County development commission under this subdivision must be transferred to the Orange County convention and visitors bureau.**

~~(4) Twenty-five~~ **(6) Thirteen** percent ~~(25%)~~ **(13%)** of the admissions tax collected during the quarter shall be paid to the West Baden Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).

~~(5) (7) Twenty-five~~ percent (25%) of the admissions tax collected during the quarter shall be paid to the Indiana economic development corporation to be used by the corporation for the development and implementation of a regional economic development strategy to assist the residents of the county in which the riverboat is located and residents of contiguous counties in improving their quality of life and to help promote successful and sustainable communities. The regional economic development strategy must include goals concerning the following issues:

(A) Job creation and retention.

(B) Infrastructure, including water, wastewater, and storm water infrastructure needs.

(C) Housing.

(D) Workforce training.

(E) Health care.

(F) Local planning.

(G) Land use.

(H) Assistance to regional economic development groups.

(I) Other regional development issues as determined by the Indiana economic development corporation.

(d) With respect to tax revenue collected from a riverboat that operates from a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000), the treasurer of state shall quarterly pay the following amounts:

(1) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

(B) admitted to a riverboat during the quarter that has implemented flexible scheduling under IC 4-33-6-21;

shall be paid to the city in which the riverboat is docked.

(2) Except as provided in subsection (k), one dollar (\$1) of the admissions tax collected by the licensed owner for each person:

(A) embarking on a gambling excursion during the quarter; or

1 (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under
 2 IC 4-33-6-21;
 3 shall be paid to the county in which the riverboat is docked.
 4 (3) Except as provided in subsection (k), nine cents (\$0.09) of the admissions tax collected by
 5 the licensed owner for each person:
 6 (A) embarking on a gambling excursion during the quarter; or
 7 (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under
 8 IC 4-33-6-21;
 9 shall be paid to the county convention and visitors bureau or promotion fund for the county in
 10 which the riverboat is docked.
 11 (4) Except as provided in subsection (k), one cent (\$0.01) of the admissions tax collected by the
 12 licensed owner for each person:
 13 (A) embarking on a gambling excursion during the quarter; or
 14 (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under
 15 IC 4-33-6-21;
 16 shall be paid to the northwest Indiana law enforcement training center.
 17 (5) Except as provided in subsection (k), fifteen cents (\$0.15) of the admissions tax collected by
 18 the licensed owner for each person:
 19 (A) embarking on a gambling excursion during the quarter; or
 20 (B) admitted to a riverboat during a quarter that has implemented flexible scheduling under
 21 IC 4-33-6-21;
 22 shall be paid to the state fair commission for use in any activity that the commission is authorized
 23 to carry out under IC 15-1.5-3.
 24 (6) Except as provided in subsection (k), ten cents (\$0.10) of the admissions tax collected by the
 25 licensed owner for each person:
 26 (A) embarking on a gambling excursion during the quarter; or
 27 (B) admitted to a riverboat during the quarter that has implemented flexible scheduling under
 28 IC 4-33-6-21;
 29 shall be paid to the division of mental health and addiction. The division shall allocate at least
 30 twenty-five percent (25%) of the funds derived from the admissions tax to the prevention and
 31 treatment of compulsive gambling.
 32 (7) Except as provided in subsection (k), sixty-five cents (\$0.65) of the admissions tax collected
 33 by the licensed owner for each person embarking on a gambling excursion during the quarter or
 34 admitted to a riverboat during the quarter that has implemented flexible scheduling under
 35 IC 4-33-6-21 shall be paid to the Indiana horse racing commission to be distributed as follows,
 36 in amounts determined by the Indiana horse racing commission, for the promotion and operation
 37 of horse racing in Indiana:
 38 (A) To one (1) or more breed development funds established by the Indiana horse racing
 39 commission under IC 4-31-11-10.
 40 (B) To a racetrack that was approved by the Indiana horse racing commission under IC 4-31.
 41 The commission may make a grant under this clause only for purses, promotions, and routine
 42 operations of the racetrack. No grants shall be made for long term capital investment or
 43 construction, and no grants shall be made before the racetrack becomes operational and is
 44 offering a racing schedule.
 45 (e) Money paid to a unit of local government under subsection (b)(1) through (b)(2), (c)(1) through
 46 ~~(c)(2)~~, **(c)(4)**, or (d)(1) through (d)(2):
 47 (1) must be paid to the fiscal officer of the unit and may be deposited in the unit's general fund
 48 or riverboat fund established under IC 36-1-8-9, or both;
 49 (2) may not be used to reduce the unit's maximum levy under IC 6-1.1-18.5 but may be used at
 50 the discretion of the unit to reduce the property tax levy of the unit for a particular year;

(3) may be used for any legal or corporate purpose of the unit, including the pledge of money to bonds, leases, or other obligations under IC 5-1-14-4; and

(4) is considered miscellaneous revenue.

(f) Money paid by the treasurer of state under subsection (b)(3) or (d)(3) shall be:

(1) deposited in:

(A) the county convention and visitor promotion fund; or

(B) the county's general fund if the county does not have a convention and visitor promotion fund; and

(2) used only for the tourism promotion, advertising, and economic development activities of the county and community.

(g) Money received by the division of mental health and addiction under subsections (b)(5) and (d)(6):

(1) is annually appropriated to the division of mental health and addiction;

(2) shall be distributed to the division of mental health and addiction at times during each state fiscal year determined by the budget agency; and

(3) shall be used by the division of mental health and addiction for programs and facilities for the prevention and treatment of addictions to drugs, alcohol, and compulsive gambling, including the creation and maintenance of a toll free telephone line to provide the public with information about these addictions. The division shall allocate at least twenty-five percent (25%) of the money received to the prevention and treatment of compulsive gambling.

(h) This subsection applies to the following:

(1) Each entity receiving money under subsection (b).

(2) Each entity receiving money under subsection (d)(1) through (d)(2).

(3) Each entity receiving money under subsection (d)(5) through (d)(7).

The treasurer of state shall determine the total amount of money paid by the treasurer of state to an entity subject to this subsection during the state fiscal year 2002. The amount determined under this subsection is the base year revenue for each entity subject to this subsection. The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(i) This subsection applies to an entity receiving money under subsection (d)(3) or (d)(4). The treasurer of state shall determine the total amount of money paid by the treasurer of state to the entity described in subsection (d)(3) during state fiscal year 2002. The amount determined under this subsection multiplied by nine-tenths (0.9) is the base year revenue for the entity described in subsection (d)(3). The amount determined under this subsection multiplied by one-tenth (0.1) is the base year revenue for the entity described in subsection (d)(4). The treasurer of state shall certify the base year revenue determined under this subsection to each entity subject to this subsection.

(j) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30, 2002, the total amount of money distributed to an entity under this section during a state fiscal year may not exceed the entity's base year revenue as determined under subsection (h) or (i). If the treasurer of state determines that the total amount of money distributed to an entity under this section during a state fiscal year is less than the entity's base year revenue, the treasurer of state shall make a supplemental distribution to the entity under IC 4-33-13-5(g).

(k) This subsection does not apply to an entity receiving money under subsection (c). For state fiscal years beginning after June 30, 2002, the treasurer of state shall pay that part of the riverboat admissions taxes that:

(1) exceed a particular entity's base year revenue; and

(2) would otherwise be due to the entity under this section;
to the property tax replacement fund instead of to the entity.

SECTION 281. IC 4-33-13-5, AS AMENDED BY P.L.91-2006, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) This subsection does not apply to tax

1 revenue remitted by an operating agent operating a riverboat in a historic hotel district. After funds
2 are appropriated under section 4 of this chapter, each month the treasurer of state shall distribute the
3 tax revenue deposited in the state gaming fund under this chapter to the following:

4 (1) The first thirty-three million dollars (\$33,000,000) of tax revenues collected under this
5 chapter shall be set aside for revenue sharing under subsection (e).

6 (2) Subject to subsection (c), twenty-five percent (25%) of the remaining tax revenue remitted
7 by each licensed owner shall be paid:

8 (A) to the city that is designated as the home dock of the riverboat from which the tax revenue
9 was collected, in the case of:

10 (i) a city described in IC 4-33-12-6(b)(1)(A); or

11 (ii) a city located in a county having a population of more than four hundred thousand
12 (400,000) but less than seven hundred thousand (700,000); or

13 (B) to the county that is designated as the home dock of the riverboat from which the tax
14 revenue was collected, in the case of a riverboat whose home dock is not in a city described
15 in clause (A).

16 (3) Subject to subsection (d), the remainder of the tax revenue remitted by each licensed owner
17 shall be paid to the property tax replacement fund. In each state fiscal year, the treasurer of state
18 shall make the transfer required by this subdivision not later than the last business day of the
19 month in which the tax revenue is remitted to the state for deposit in the state gaming fund.
20 However, if tax revenue is received by the state on the last business day in a month, the treasurer
21 of state may transfer the tax revenue to the property tax replacement fund in the immediately
22 following month.

23 (b) This subsection applies only to tax revenue remitted by an operating agent operating a riverboat
24 in a historic hotel district. After funds are appropriated under section 4 of this chapter, each month the
25 treasurer of state shall distribute the tax revenue ~~deposited in the state gaming fund remitted by the~~
26 **operating agent** under this chapter as follows:

27 (1) Thirty-seven and one-half percent (37.5%) shall be paid to the property tax replacement fund
28 established under IC 6-1.1-21.

29 (2) ~~Thirty-seven and one-half~~ **Nineteen percent (19%)** shall be paid to the West Baden
30 Springs historic hotel preservation and maintenance fund established by IC 36-7-11.5-11(b).
31 However, at any time the balance in that fund exceeds twenty million dollars (\$20,000,000), the
32 amount described in this subdivision shall be paid to the property tax replacement fund
33 established under IC 6-1.1-21.

34 (3) ~~Five Eight~~ percent ~~(5%)~~ **(8%)** shall be paid to the ~~historic hotel preservation~~ **Orange County**
35 **development** commission established under IC 36-7-11.5.

36 (4) ~~Ten Sixteen~~ percent ~~(10%)~~ **(16%)** shall be paid in equal amounts to each town that ~~(A)~~ is
37 located in the county in which the riverboat docks and ~~(B)~~ contains a historic hotel. ~~The town~~
38 ~~council shall appropriate a part of the money received by the town under this subdivision to the~~
39 ~~budget of the town's tourism commission. The following apply to taxes received by a town~~
40 **under this subdivision:**

41 (A) **At least twenty-five percent (25%) of the taxes must be transferred to the school**
42 **corporation in which the town is located.**

43 (B) **At least twelve and five-tenths percent (12.5%) of the taxes must be transferred to**
44 **the Orange County convention and visitors bureau.**

45 (5) ~~Ten Nine~~ percent ~~(10%)~~ **(9%)** shall be paid to the county treasurer of the county in which the
46 riverboat is docked. The county treasurer shall distribute the money received under this
47 subdivision as follows:

48 (A) ~~Twenty~~ **Twenty-two and twenty-five hundredths percent (22.25%)** shall be
49 quarterly distributed to the county treasurer of a county having a population of more than

thirty-nine thousand six hundred (39,600) but less than forty thousand (40,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(B) ~~Twenty~~ **Twenty-two and twenty-five hundredths** percent ~~(20%)~~ **(22.25%)** shall be quarterly distributed to the county treasurer of a county having a population of more than ten thousand seven hundred (10,700) but less than twelve thousand (12,000) for appropriation by the county fiscal body after receiving a recommendation from the county executive. The county fiscal body for the receiving county shall provide for the distribution of the money received under this clause to one (1) or more taxing units (as defined in IC 6-1.1-1-21) in the county under a formula established by the county fiscal body after receiving a recommendation from the county executive.

(C) ~~Sixty~~ **Fifty-five and five-tenths** percent ~~(60%)~~ **(55.5%)** shall be retained by the county where the riverboat is docked for appropriation by the county fiscal body after receiving a recommendation from the county executive. ~~The county fiscal body shall provide for the distribution of part or all of the money received under this clause to the following under a formula established by the county fiscal body:~~

~~(i)~~ **(6) Five percent (5%) shall be paid to a town having a population of more than two thousand two hundred (2,200) but less than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). At least forty percent (40%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.**

~~(ii)~~ **(7) Five percent (5%) shall be paid to a town having a population of more than three thousand five hundred (3,500) located in a county having a population of more than nineteen thousand three hundred (19,300) but less than twenty thousand (20,000). At least forty percent (40%) of the taxes received by a town under this subdivision must be transferred to the school corporation in which the town is located.**

(8) Five-tenths percent (0.5%) shall be paid to the Orange County convention and visitors bureau.

(c) For each city and county receiving money under subsection (a)(2), the treasurer of state shall determine the total amount of money paid by the treasurer of state to the city or county during the state fiscal year 2002. The amount determined is the base year revenue for the city or county. The treasurer of state shall certify the base year revenue determined under this subsection to the city or county. The total amount of money distributed to a city or county under this section during a state fiscal year may not exceed the entity's base year revenue. For each state fiscal year, the treasurer of state shall pay that part of the riverboat wagering taxes that:

(1) exceeds a particular city's or county's base year revenue; and

(2) would otherwise be due to the city or county under this section;
to the property tax replacement fund instead of to the city or county.

(d) Each state fiscal year the treasurer of state shall transfer from the tax revenue remitted to the property tax replacement fund under subsection (a)(3) to the build Indiana fund an amount that when added to the following may not exceed two hundred fifty million dollars (\$250,000,000):

(1) Surplus lottery revenues under IC 4-30-17-3.

(2) Surplus revenue from the charity gaming enforcement fund under IC 4-32.2-7-7.

(3) Tax revenue from pari-mutuel wagering under IC 4-31-9-3.

The treasurer of state shall make transfers on a monthly basis as needed to meet the obligations of the build Indiana fund. If in any state fiscal year insufficient money is transferred to the property tax

1 replacement fund under subsection (a)(3) to comply with this subsection, the treasurer of state shall
2 reduce the amount transferred to the build Indiana fund to the amount available in the property tax
3 replacement fund from the transfers under subsection (a)(3) for the state fiscal year.

4 (e) Before August 15 of each year, the treasurer of state shall distribute the wagering taxes set aside
5 for revenue sharing under subsection (a)(1) to the county treasurer of each county that does not have
6 a riverboat according to the ratio that the county's population bears to the total population of the
7 counties that do not have a riverboat. Except as provided in subsection (h), the county auditor shall
8 distribute the money received by the county under this subsection as follows:

9 (1) To each city located in the county according to the ratio the city's population bears to the total
10 population of the county.

11 (2) To each town located in the county according to the ratio the town's population bears to the
12 total population of the county.

13 (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be
14 retained by the county.

15 (f) Money received by a city, town, or county under subsection (e) or (h) may be used for any of
16 the following purposes:

17 (1) To reduce the property tax levy of the city, town, or county for a particular year (a property
18 tax reduction under this subdivision does not reduce the maximum levy of the city, town, or
19 county under IC 6-1.1-18.5).

20 (2) For deposit in a special fund or allocation fund created under IC 8-22-3.5, IC 36-7-14,
21 IC 36-7-14.5, IC 36-7-15.1, and IC 36-7-30 to provide funding for additional credits for property
22 tax replacement in property tax increment allocation areas or debt repayment.

23 (3) To fund sewer and water projects, including storm water management projects.

24 (4) For police and fire pensions.

25 (5) To carry out any governmental purpose for which the money is appropriated by the fiscal
26 body of the city, town, or county. Money used under this subdivision does not reduce the property
27 tax levy of the city, town, or county for a particular year or reduce the maximum levy of the city,
28 town, or county under IC 6-1.1-18.5.

29 (g) This subsection does not apply to an entity receiving money under IC 4-33-12-6(c). Before
30 September 15 of each year, the treasurer of state shall determine the total amount of money distributed
31 to an entity under IC 4-33-12-6 during the preceding state fiscal year. If the treasurer of state
32 determines that the total amount of money distributed to an entity under IC 4-33-12-6 during the
33 preceding state fiscal year was less than the entity's base year revenue (as determined under
34 IC 4-33-12-6), the treasurer of state shall make a supplemental distribution to the entity from taxes
35 collected under this chapter and deposited into the property tax replacement fund. The amount of the
36 supplemental distribution is equal to:

37 (1) the entity's base year revenue (as determined under IC 4-33-12-6); minus

38 (2) the sum of:

39 (A) the total amount of money distributed to the entity during the preceding state fiscal year
40 under IC 4-33-12-6; plus

41 (B) any amounts deducted under IC 6-3.1-20-7.

42 (h) This subsection applies only to a county containing a consolidated city. The county auditor shall
43 distribute the money received by the county under subsection (e) as follows:

44 (1) To each city, other than a consolidated city, located in the county according to the ratio that
45 the city's population bears to the total population of the county.

46 (2) To each town located in the county according to the ratio that the town's population bears to
47 the total population of the county.

48 (3) After the distributions required in subdivisions (1) and (2) are made, the remainder shall be
49 paid in equal amounts to the consolidated city and the county.

50 SECTION 282. IC 36-7-11.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,

2007]: Sec. 1. (a) As used in this chapter, "commission" refers to the historic hotel preservation commission established by an interlocal agreement under section 3 of this chapter.

(b) Except as provided in section 11 of this chapter, "fund" refers to the community trust fund established by section 8 of this chapter. (a) As used in this chapter, "advisory board" refers to the Orange County development advisory board established by section 12 of this chapter.

(b) As used in this chapter, "development commission" refers to the Orange County development commission established by section 3.5 of this chapter.

(c) As used in this chapter, "historic hotel" has the meaning set forth in IC 4-33-2-11.1.

(d) As used in this chapter, "hotel riverboat resort" refers to the historic hotels, the riverboat operated under IC 4-33-6.5, and other properties operated in conjunction with the riverboat enterprise located in Orange County.

(e) As used in this chapter, "qualified historic hotel" refers to a historic hotel that has an atrium that includes a dome that is at least two hundred (200) feet in diameter.

SECTION 283. IC 36-7-11.5-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 3.5. (a) The Orange County development commission is established.

(b) The development commission consists of the following members:

(1) An individual appointed by the legislative body of Orange County.

(2) An individual appointed by the legislative body of the town of French Lick.

(3) An individual appointed by the legislative body of the town of West Baden.

(4) An individual appointed by the legislative body of the town of Paoli.

(5) An individual appointed by the legislative body of the town of Orleans.

(6) A nonvoting member appointed by the governor.

(c) The members of the development commission shall each serve for a term of three (3) years. A vacancy shall be filled for the duration of the term by the original appointing authority.

(d) Each member of the development commission must, before beginning the discharge of the duties of the member's office, do the following:

(1) Take an oath that the member will faithfully execute the duties of the member's office according to Indiana law and rules adopted under Indiana law.

(2) Provide a bond to the state:

(A) for twenty-five thousand dollars (\$25,000); and

(B) that is, after being executed and approved, recorded in the office of the secretary of state.

(e) A member of the development commission is not entitled to a salary per diem. However, a member is entitled to reimbursement for travel expenses incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the budget agency.

(f) An individual who is an employee of a county or town described in subsection (b) may not be appointed to the development commission until at least three (3) years after the date the individual's employment with the county or town is terminated.

(g) An individual who is a member of any other board serving a county or town described in subsection (b) may not be appointed to the development commission until at least three (3) years after the date the individual's membership on the board expires.

(h) An individual who is:

(1) employed by the hotel riverboat resort or an affiliated business;

(2) contracted or hired to perform a service for the hotel riverboat resort or an affiliated business; or

(3) engaged in any other form of a business relationship with the hotel riverboat resort or an affiliated business;

1 may not be appointed to the development commission until at least three (3) years after the date
2 on which the individual's employment or business relationship with the hotel riverboat resort
3 or an affiliated business is terminated.

4 SECTION 284. IC 36-7-11.5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
5 2007]: Sec. 5. (a) The **development** commission shall elect from its membership a chairperson and
6 vice chairperson, who shall serve for one (1) year and may be reelected.

7 (b) The **development** commission shall adopt rules consistent with this chapter for the transaction
8 of its business. The rules must include the time and place of regular meetings and a procedure for the
9 calling of special meetings. ~~Four (4)~~ **Three (3)** voting members constitute a quorum of the
10 **development** commission. No action may be taken by the **development** commission unless a majority
11 of the voting members appointed to the **development** commission vote in favor of taking the action.

12 (c) All meetings of the **development** commission must be open to the public, and a public record
13 of the **development** commission's resolutions, proceedings, and actions must be kept.

14 (d) ~~If The development commission has~~ **shall employ an administrator** ~~the administrator who~~ shall
15 act as the commission's secretary. ~~If the commission does not have an administrator, the commission~~
16 ~~shall elect a secretary from its membership.~~

17 (e) The **development** commission shall hold regular meetings, at least monthly, except when it has
18 no business pending.

19 SECTION 285. IC 36-7-11.5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
20 2007]: Sec. 6. (a) Money acquired by the **development** commission is subject to the laws concerning
21 the deposit and safekeeping of public money.

22 (b) The money of the **development** commission and the accounts of each officer, employee, or
23 other person entrusted by law with the raising, disposition, or expenditure of the money or part of the
24 money are subject to examination by the state board of accounts.

25 SECTION 286. IC 36-7-11.5-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
26 2007]: Sec. 7. (a) ~~Except as otherwise specified in this chapter, The development commission has all~~
27 ~~of the powers and responsibilities of a historic preservation commission established under IC 36-7-11.~~

28 (b) ~~The commission shall do the following:~~

29 (1) ~~Designate a fiscal agent who must be the fiscal officer of one (1) of the towns to which this~~
30 ~~chapter applies.~~

31 (2) ~~(1) Employ an administrator and other professional staff necessary to assist the~~
32 ~~development commission in carrying out its duties.~~

33 (2) **Facilitate and coordinate the development of Orange County.**

34 (3) **Serve as a liaison between the riverboat located in a historic hotel district and the**
35 **political subdivisions located in Orange County.**

36 (4) **Facilitate and coordinate the appropriate development of the historical environment of**
37 **the towns of French Lick and West Baden.**

38 (5) **Establish a grant program to provide financial support to community organizations in**
39 **Orange County.**

40 (b) **The development commission may do the following:**

41 (3) ~~(1) Engage consultants, attorneys, accountants, and other professionals necessary to carry out~~
42 ~~the development commission's duties.~~

43 (4) ~~Jointly approve, with the Indiana gaming commission, the location and exterior design of a~~
44 ~~riverboat to be operated in the historic hotel district.~~

45 (5) **Make recommendations to the Indiana gaming commission concerning the selection of an**
46 **operating agent (as defined in IC 4-33-2-14.5) that the commission believes will:**

47 (A) **promote the most economic development in the area surrounding the historic hotel district;**
48 **and**

49 (B) **best serve the interests of the residents of the county in which the historic hotel district is**

located and all other citizens of Indiana:

(6) Make recommendations to the Indiana gaming commission concerning the operation and management of the riverboat to be operated in the county:

(2) Award grants and low interest loans to promote economic development through tourism in Orange County.

(c) This section does not limit the powers of the Indiana gaming commission with respect to the administration and regulation of riverboat gaming under IC 4-33:

(c) The development commission shall:

(1) promote economic development through tourism;

(2) attract new business;

(3) improve housing; and

(4) engage in any other activity that promotes the development of Orange County.

SECTION 287. IC 36-7-11.5-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 11. (a) As used in this section, "fund" refers to the West Baden Springs historic hotel preservation and maintenance fund established by subsection (b).

(b) The West Baden Springs historic hotel preservation and maintenance fund is established. The fund consists of the following:

(1) Amounts deposited in the fund under **IC 4-33-6.5-6**, IC 4-33-12-6(c), and IC 4-33-13-5(b).

(2) Grants and gifts that the department of natural resources receives for the fund under terms, obligations, and liabilities that the department considers appropriate.

(3) The one million dollar (\$1,000,000) initial fee paid to the gaming commission under IC 4-33-6.5.

(4) Any amount transferred to the fund upon the repeal of IC 36-7-11.5-8 (the community trust fund).

The fund shall be administered by the department of natural resources. The expenses of administering the fund shall be paid from money in the fund.

(c) The treasurer of state shall invest the money in the fund that is not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested. The treasurer of state shall deposit in the fund the interest that accrues from the investment of the fund.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(e) No money may be appropriated from the fund except as provided in this subsection. The general assembly may appropriate interest accruing to the fund to the department of natural resources only for the following purposes:

(1) To maintain the parts of a qualified historic hotel that were restored before July 1, 2003.

(2) To maintain the grounds surrounding a qualified historic hotel.

No money may be appropriated from the fund for restoration purposes if the restoration is to occur after July 1, 2003.

SECTION 288. IC 36-7-11.5-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 12. (a) The Orange County development advisory board is established for the purpose of advising the development commission established under section 3.5 of this chapter.**

(b) The advisory board consists of five (5) members appointed as follows:

(1) One (1) individual appointed by the speaker of the house of representatives.

(2) One (1) individual appointed by the president pro tempore of the senate.

(3) One (1) individual appointed by the Orange County convention and visitors bureau.

(4) Two (2) individuals appointed by the chief operating officer of the hotel riverboat resort.

(c) Except as provided in subsection (d), the members of the advisory board shall each serve for a term of four (4) years. A vacancy shall be filled for the duration of the term by the original appointing authority.

(d) The member appointed under subsection (b)(3) shall serve an initial term of one (1) year. As determined by the appointing authority, the two (2) members appointed under subsection (b)(4) shall serve initial terms of two (2) and three (3) years respectively.

(e) A member of the advisory board is not entitled to a salary per diem. However, a member is entitled to reimbursement for travel expenses incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the department of administration and approved by the budget agency.

SECTION 289. IC 36-7-11.5-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 13. (a) An individual may apply for a grant or low interest loan on a form prescribed by the development commission.**

(b) A form prescribed by the development commission must be designed to be read and easily understood by the ordinary individual.

SECTION 290. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2007]: IC 36-7-11.5-3; IC 36-7-11.5-4; IC 36-7-11.5-8; IC 36-7-11.5-9; IC 36-7-11.5-10.

SECTION 291. [EFFECTIVE JULY 1, 2007] **(a) IC 4-33-12-6, as amended by this act, applies to riverboat admissions taxes remitted by an operating agent after June 30, 2007.**

(b) IC 4-33-13-5, as amended by this act, applies to riverboat wagering taxes remitted by an operating agent after June 30, 2007.

SECTION 292. [EFFECTIVE JULY 1, 2007] **(a) As used in this SECTION, "commission" refers to a historic hotel preservation commission established by an interlocal agreement under IC 36-7-11.5-3, before its repeal by this act.**

(b) As used in this SECTION, "local development agreement" refers to the local development agreement:

(1) entered into by:

(A) the town of French Lick;

(B) the town of West Baden Springs;

(C) Orange County;

(D) the commission; and

(E) Blue Sky Casino, LLC; and

(2) dated July 28, 2005.

(c) Notwithstanding any other law, the commission is abolished on July 1, 2007.

(d) Notwithstanding any other law, the term of office of a member of the commission serving on June 30, 2007, terminates July 1, 2007.

(e) Any balance remaining on June 30, 2007, in the community trust fund established under IC 36-7-11.5-8 (before its repeal by this act) is transferred to the Orange County development commission established by IC 36-7-11.5-3.5, as added by this act.

(f) On July 1, 2007, all records and property of the commission are transferred to the Orange County development commission established under IC 36-7-11.5-3.5, as added by this act.

(g) Except as provided in subsection (h), an unfulfilled financial commitment made by the commission is void on July 1, 2007.

(h) The Orange County development commission shall assume the commission's commitments to the French Lick Municipal Airport.

(i) Any part of a local development agreement that requires a town to make payments to a county is void on July 1, 2007.

(j) This act does not affect the validity of a historic hotel district established in Orange County before January 1, 2007, under IC 36-7-11.5-2.

SECTION 293. IC 14-11-1-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8. The department of natural resources may not sell, lease, exchange, or transfer property or an interest in a property to**

1 another person for the purpose of allowing the selling of water out of Indiana from Charlestown
2 Water Wells located on park property without the prior approval of River Ridge Development
3 Authority.

4 SECTION 294. P.L.191-2006, SECTION 4 IS AMENDED TO READ AS FOLLOWS
5 [EFFECTIVE UPON PASSAGE]: (a) The definitions in IC 20 apply to this SECTION.

6 (b) ~~Not later than August 31, 2006:~~

7 (1) ~~the department shall develop; and~~

8 (2) ~~the state board shall review and may modify before approving; As used in this SECTION,~~
9 **"plan" refers to "A Plan to Upgrade the Financial Management, Analysis, and Reporting System**
10 **for Indiana School Corporations and Schools"**

11 (c) ~~The plan developed under subsection (b) must:~~

12 (1) ~~provide the use of generally accepted accounting principles based on the system of accounting~~
13 ~~used by school corporations and schools on June 30, 2006; and a unified income and expense~~
14 ~~statement and balance sheet;~~

15 (2) ~~provide school corporations and schools the ability to track expenditures individually and~~
16 ~~according to the expenditure category under IC 21-10-3-4; as added by this act; the program under~~
17 ~~which the expense was incurred; and the school building where the expense was incurred;~~

18 (3) ~~provide real time or other timely access to expenditures; and across functions; schools; and~~
19 ~~school corporations; and~~

20 (4) ~~enable periodic and annual analysis and reporting to the leadership of a school; the~~
21 ~~superintendent and governing body of a school corporation; the general public; the department;~~
22 ~~the state board; the governor; and the general assembly.~~

23 (d) ~~In developing the plan under subsection (b); the department, following approval by and under~~
24 ~~the direction of the state board; shall:~~

25 (1) ~~use the assistance of the state board of accounts; the division of finance of the department;~~
26 ~~the division of technology of the department; the office of management and budget; and external~~
27 ~~consultants and advisers the state board determines are necessary;~~

28 (2) ~~provide the opportunity for input from governing bodies; superintendents; and other interested~~
29 ~~parties;~~

30 (3) ~~consider existing financial management; analysis; and reporting systems and technology in~~
31 ~~use in school corporations and in other states;~~

32 (4) ~~take into account the need for training personnel in school corporations in the use of the~~
33 ~~system; including a plan for the department to work with the officials in each school corporation~~
34 ~~who are responsible for the management of the school corporation's finances; organizations; and~~
35 ~~other resources to create programs and curricula to develop the officials' financial management~~
36 ~~skills and abilities as well as train them in the use of the system; and~~

37 (5) ~~identify any amendments to the Indiana Code that are necessary to implement specific~~
38 ~~provisions of the plan.~~

39 (e) ~~Not later than October 1, 2006; the department and the state board shall submit the plan~~
40 ~~developed under subsection (b) to the governor and the general assembly. The report to the general~~
41 ~~assembly must be submitted to the executive director of the legislative services agency in an electronic~~
42 ~~format under IC 5-14-6: published by the department of education on September 13, 2006.~~

43 (c) **The state board of accounts, the department and the state board may not implement the**
44 **plan or require a school corporation to conform to the plan until after June 30, 2009.**

45 ~~(d) This SECTION expires December 31, 2009: 2011.~~

46 SECTION 295. IC 5-13-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
47 2007]: Sec. 1. (a) All public funds paid into the treasury of the state or the treasuries of the respective
48 political subdivisions shall be deposited not later than the business day following the receipt of funds
49 on business days of the depository in one (1) or more depositories in the name of the state or political

1 subdivision by the officer having control of the funds.

2 (b) Except as provided in ~~subsection (d)~~, **subsections (d), (f), and (g)**, all public funds collected
3 by state officers, other than the treasurer of state, shall be deposited with the treasurer of state, or an
4 approved depository selected by the treasurer of state not later than the business day following the
5 receipt of the funds. The treasurer of state shall deposit daily on business days of the depository all
6 public funds deposited with the treasurer of state. Deposits do not relieve any state officer from the
7 duty of maintaining a cashbook under IC 5-13-5-1.

8 (c) Except as provided in subsection (d), all local officers, except township trustees, who collect
9 public funds of their respective political subdivisions, shall deposit funds not later than the business
10 day following the receipt of funds on business days of the depository in the depository or depositories
11 selected by the several local boards of finance that have jurisdiction of the funds. The public funds
12 collected by township trustees shall be deposited in the designated depository on or before the first and
13 fifteenth day of each month. Public funds deposited under this subsection shall be deposited in the
14 same form in which they were received.

15 (d) A city (other than a consolidated city) or a town shall deposit funds not later than the next
16 business day following the receipt of the funds in depositories:

17 (1) selected by the city or town as provided in an ordinance adopted by the city or the town; and

18 (2) approved as depositories of state funds.

19 (e) All local investment officers shall reconcile at least monthly the balance of public funds, as
20 disclosed by the records of the local officers, with the balance statements provided by the respective
21 depositories.

22 (f) An office of:

23 (1) the department of natural resources; or

24 (2) the department of state revenue;

25 that is detached from the main office of the department is not required to deposit funds on the business
26 day following receipt if the funds on hand do not exceed one hundred dollars (\$100). However, the
27 office must deposit the funds on hand not later than the business day following the day that the funds
28 exceed one hundred dollars (\$100).

29 **(g) An office of the legislative branch of state government is not required to deposit funds on**
30 **the business day following receipt if the funds on hand do not exceed one hundred dollars (\$100).**
31 **However, the office must deposit the funds on hand not later than the business day following the**
32 **day that the funds exceed one hundred dollars (\$100).**

33 SECTION 296. IC 6-1.1-21-2.5, AS ADDED BY P.L.246-2005, SECTION 65, IS AMENDED TO
34 READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2.5. (a) ~~Annually, before the~~
35 ~~department determines the eligible property tax replacement amount for a year under section 3 of this~~
36 ~~chapter and the department of local government finance makes its certification under section 3(b) of~~
37 ~~this chapter, the budget agency shall determine the sum of the following:~~

38 ~~(1) One billion one hundred twenty-one million seven hundred thousand dollars~~
39 ~~(\$1,121,700,000);~~

40 ~~(2) An amount equal to the net amount of revenue, after deducting collection allowances and~~
41 ~~refunds, that the budget agency estimates will be collected in a particular calendar year from the~~
42 ~~part of the gross retail and use tax rate imposed under IC 6-2.5 equal to one percent (1%);~~

43 ~~The estimate made under this subsection must be consistent with the latest technical forecast of state~~
44 ~~revenues that is prepared for distribution to the general assembly and the general public and available~~
45 ~~to the budget agency at the time that the estimate is made.~~

46 ~~(b) The department may not distribute eligible property tax replacement amounts and eligible~~
47 ~~homestead credit replacement amounts for a year under this chapter that, in the aggregate, is less than~~
48 ~~the amount computed under subsection (a).~~

49 ~~(c) (a) Annually, before the department determines the eligible property tax replacement amount~~
50 ~~for a year under section 3 of this chapter and the department of local government finance makes its~~

certification under section 3(b) of this chapter, the budget agency shall determine whether the total amount of property tax replacement credits granted in Indiana under section 5 of this chapter and homestead credits granted in Indiana under IC 6-1.1-20.9-2 for a year, determined without applying subsection (b); **this section, will be less more than the amount determined under subsection (b): appropriated for those purposes for that year.** The budget agency shall give notice of its determination to the members of the board and, in an electronic format under IC 5-14-6, the general assembly. If the budget agency determines that the ~~amount determined under subsection (b) will not be exceeded in a particular year;~~ **amount of property tax replacement credits and homestead credits granted under IC 6-1.1-20.9-2 for the year will be more than the amount appropriated for those purposes for that year,** the board shall ~~increase~~ **do the following:**

(1) **For calendar years 2008 and 2009, decrease** for that year the percentages used to determine a taxpayer's property tax replacement credit amount ~~and the homestead credit percentage applicable under IC 6-1.1-20.9-2~~ so that the total amount of property tax replacement credits granted in Indiana under section 5 of this chapter and homestead credits granted in Indiana under IC 6-1.1-20.9-2 ~~at least equals~~ **does not exceed the total amount appropriated for those purposes for that year.** determined under subsection (b). In making adjustments under this subsection, the board shall increase percentages, in the following order until the total of property tax replacement credits granted under section 5 of this chapter and homestead credits granted under IC 6-1.1-20.9-2 for the year at least equals the amount determined under subsection (b):
(1) The homestead credit percentage specified in IC 6-1.1-20.9-2 until the homestead percentage reaches the lesser of:

(A) thirty percent (30%); or

(B) the percentage at which the total of property tax replacement credits granted under section 5 of this chapter and homestead credits granted under IC 6-1.1-20.9-2 for the year at least equals the amount determined under subsection (b):

(2) If the amount determined under subsection (b) is not exceeded after increasing the homestead percentage under subdivision (1); the board shall increase the property tax replacement credit percentage specified in section 2(j)(1) and 2(i)(1) of this chapter until the property tax replacement percentage reaches the lesser of:

(A) seventy percent (70%); or

(B) the percentage at which the total of property tax replacement credits granted under section 5 of this chapter and homestead credits granted under IC 6-1.1-20.9-2 for the year, as adjusted under this subsection, at least equals the amount determined under subsection (b):

(3) If the amount determined under subsection (b) is not exceeded after making all possible increases in credit percentages under subdivisions (1) and (2); the board shall increase the property tax replacement credit percentages specified in section 2(j)(2); 2(j)(3); 2(i)(2); and 2(i)(3) of this chapter to the percentage at the total of property tax replacement credits granted under section 5 of this chapter and homestead credits granted under IC 6-1.1-20.9-2 for the year, as adjusted under this subsection, at least equals the amount determined under subsection (b):

(2) **For calendar years 2010 and thereafter, decrease for that year in the same proportions:**

(A) the percentages used to determine a taxpayer's property tax replacement credit amount; and

(B) and the homestead credit percentage applicable under IC 6-1.1-20.9-2;

so that the total amount of property tax replacement credits granted in Indiana under section 5 of this chapter and homestead credits granted in Indiana under IC 6-1.1-20.9-2 does not exceed the total amount appropriated for those purposes for that year.

~~(d)~~ (b) The adjusted percentages set under subsection (c): (a):

(1) are the percentages that apply under:

(A) section 5 of this chapter to determine a taxpayer's property tax replacement credit amount;

1 and
 2 (B) IC 6-1.1-20.9-2 to determine a taxpayer's homestead credit; and
 3 (2) must be used by the:
 4 (A) department in estimating the eligible property tax replacement amount under section 3 of
 5 this chapter; and
 6 (B) department of local government finance in making its certification under section 3(b) of
 7 this chapter;
 8 and for all other purposes under this chapter and IC 6-1.1-20.9 related to distributions under this
 9 chapter;
 10 for the particular year covered by a budget agency's determination under subsection ~~(c)~~: **(a)**.
 11 SECTION 297. IC 6-1.1-21-4, AS AMENDED BY P.L.228-2005, SECTION 22, IS AMENDED
 12 TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Each year the department
 13 shall allocate from the property tax replacement fund an amount equal to the sum of:
 14 (1) each county's total eligible property tax replacement amount for that year; plus
 15 (2) the total amount of homestead tax credits that are provided under IC 6-1.1-20.9 and allowed
 16 by each county for that year; plus
 17 (3) an amount for each county that has one (1) or more taxing districts that contain all or part of
 18 an economic development district that meets the requirements of section 5.5 of this chapter. This
 19 amount is the sum of the amounts determined under the following STEPS for all taxing districts
 20 in the county that contain all or part of an economic development district:
 21 STEP ONE: Determine that part of the sum of the amounts under section 2(g)(1)(A) and
 22 2(g)(2) of this chapter that is attributable to the taxing district.
 23 STEP TWO: Divide:
 24 (A) that part of the subdivision (1) amount that is attributable to the taxing district; by
 25 (B) the STEP ONE sum.
 26 STEP THREE: Multiply:
 27 (A) the STEP TWO quotient; times
 28 (B) the taxes levied in the taxing district that are allocated to a special fund under
 29 IC 6-1.1-39-5.
 30 (b) Except as provided in subsection (e), between March 1 and August 31 of each year, the
 31 department shall distribute to each county treasurer from the property tax replacement fund one-half
 32 (1/2) of the estimated distribution for that year for the county. Between September 1 and December
 33 15 of that year, the department shall distribute to each county treasurer from the property tax
 34 replacement fund the remaining one-half (1/2) of each estimated distribution for that year. The amount
 35 of the distribution for each of these periods shall be according to a schedule determined by the
 36 property tax replacement fund board under section 10 of this chapter. The estimated distribution for
 37 each county may be adjusted from time to time by the department to reflect any changes in the total
 38 county tax levy upon which the estimated distribution is based.
 39 (c) On or before December 31 of each year or as soon thereafter as possible, the department shall
 40 make a final determination of the amount which should be distributed from the property tax
 41 replacement fund to each county for that calendar year. This determination shall be known as the final
 42 determination of distribution. The department shall distribute to the county treasurer or, **except as**
 43 **provided in section 9 of this chapter**, receive back from the county treasurer any deficit or excess,
 44 as the case may be, between the sum of the distributions made for that calendar year based on the
 45 estimated distribution and the final determination of distribution. The final determination of
 46 distribution shall be based on the auditor's abstract filed with the auditor of state, adjusted for
 47 postabstract adjustments included in the December settlement sheet for the year, and such additional
 48 information as the department may require.
 49 (d) All distributions provided for in this section shall be made on warrants issued by the auditor of

1 state drawn on the treasurer of state. If the amounts allocated by the department from the property tax
2 replacement fund exceed in the aggregate the balance of money in the fund, then the amount of the
3 deficiency shall be transferred from the state general fund to the property tax replacement fund, and
4 the auditor of state shall issue a warrant to the treasurer of state ordering the payment of that amount.
5 However, any amount transferred under this section from the general fund to the property tax
6 replacement fund shall, as soon as funds are available in the property tax replacement fund, be
7 retransferred from the property tax replacement fund to the state general fund, and the auditor of state
8 shall issue a warrant to the treasurer of state ordering the replacement of that amount.

9 (e) Except as provided in subsection (g) and subject to subsection (h), the department shall not
10 distribute under subsection (b) and section 10 of this chapter a percentage, determined by the
11 department, of the money that would otherwise be distributed to the county under subsection (b) and
12 section 10 of this chapter if:

13 (1) by the date the distribution is scheduled to be made, the county auditor has not sent a certified
14 statement required to be sent by that date under IC 6-1.1-17-1 to the department of local
15 government finance;

16 (2) by the deadline under IC 36-2-9-20, the county auditor has not transmitted data as required
17 under that section;

18 (3) the county assessor has not forwarded to the department of local government finance the
19 duplicate copies of all approved exemption applications required to be forwarded by that date
20 under IC 6-1.1-11-8(a);

21 (4) the county assessor has not forwarded to the department of local government finance in a
22 timely manner sales disclosure forms under IC 6-1.1-5.5-3(b);

23 (5) local assessing officials have not provided information to the department of local government
24 finance in a timely manner under IC 4-10-13-5(b);

25 (6) the county auditor has not paid a bill for services under IC 6-1.1-4-31.5 to the department of
26 local government finance in a timely manner;

27 (7) the elected township assessors in the county, the elected township assessors and the county
28 assessor, or the county assessor has not transmitted to the department of local government finance
29 by October 1 of the year in which the distribution is scheduled to be made the data for all
30 townships in the county required to be transmitted under IC 6-1.1-4-25(b);

31 (8) the county has not established a parcel index numbering system under 50 IAC 12-15-1 in a
32 timely manner; or

33 (9) a township or county official has not provided other information to the department of local
34 government finance in a timely manner as required by the department.

35 (f) Except as provided in subsection (i), money not distributed for the reasons stated in subsection
36 (e) shall be distributed to the county when the department of local government finance determines that
37 the failure to:

38 (1) provide information; or

39 (2) pay a bill for services;

40 has been corrected.

41 (g) The restrictions on distributions under subsection (e) do not apply if the department of local
42 government finance determines that the failure to:

43 (1) provide information; or

44 (2) pay a bill for services;

45 in a timely manner is justified by unusual circumstances.

46 (h) The department shall give the county auditor at least thirty (30) days notice in writing before
47 withholding a distribution under subsection (e).

48 (i) Money not distributed for the reason stated in subsection (e)(6) may be deposited in the fund
49 established by IC 6-1.1-5.5-4.7(a). Money deposited under this subsection is not subject to distribution
50 under subsection (f).

1 SECTION 298. IC 6-1.1-21-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
2 PASSAGE]: Sec. 9. (a) On or before October 15 of each year, each county auditor shall, make a
3 settlement with the department as to the aggregate amount of property tax replacement credits
4 extended to taxpayers in the auditor's county during the first eight (8) months of that same year. On
5 or before December 31 of each year, each county auditor shall make a settlement with the department
6 along with the filing of the county auditor's December settlement as to the aggregate amount of
7 property tax replacement credits extended to taxpayers in the auditor's county during the last four (4)
8 months of that same year. If the aggregate credits allowed during either period exceed the property tax
9 replacement funds allocated and distributed to the county treasurer for that same period, as provided
10 in sections 4 and 5 of this chapter, then the department shall certify the amount of the excess to the
11 auditor of state who shall issue a warrant, payable from the property tax replacement fund, to the
12 treasurer of the state ordering the payment of the excess to the county treasurer. If the distribution
13 exceeds the aggregate credits, the county treasurer shall repay to the treasurer of the state the amount
14 of the excess, which shall be redeposited in the property tax replacement fund.

15 (b) In making the settlement required by subsection (a), the county auditor shall recognize the fact
16 that any loss of revenue resulting from the provision of homestead credits in excess of the percentage
17 credit allowed in IC 6-1.1-20.9-2(d) must be paid from county option income revenues.

18 (c) Except as otherwise provided in this chapter, the state board of accounts with the cooperation
19 of the department shall prescribe the accounting forms, records, and procedures required to carry out
20 the provisions of this chapter.

21 (d) **Not later than November 15 of each year, the budget agency shall determine whether the**
22 **amount distributed to counties under section 10 of this chapter for state property tax**
23 **replacement credits and state homestead credits is less than the amount available, as determined**
24 **by the budget agency, from the appropriation to the property tax replacement board for**
25 **distribution as state property tax replacement credits and state homestead credits. If the amount**
26 **distributed is less than the available appropriation, the budget agency shall apportion the excess**
27 **among the counties in proportion to the final determination of state property tax replacement**
28 **credits and state homestead credits for each county and certify the excess amount for each**
29 **county to the department and the department of local government finance. The department shall**
30 **distribute the certified additional amount for a county to the county treasurer before December**
31 **15 of the year. Not later than December 31 in the year, the county treasurer shall allocate the**
32 **certified additional amount among the taxing units in the county in proportion to the part of the**
33 **total county tax levy imposed by each taxing unit. The taxing unit shall deposit the allocated**
34 **amount in the taxing unit's levy excess fund under established under IC 6-1.1-18.5-17 or IC**
35 **20-40-10. The allocated amount shall be treated in the same manner as a levy excess (as defined**
36 **in IC 6-1.1-18.5-17 and IC 20-44-3-2) and shall be used only to reduce the part of the county tax**
37 **levy imposed by the taxing unit in the immediately following year.**

38 SECTION 299. [EFFECTIVE JULY 1, 2007] **There is appropriated ten million dollars**
39 **(\$10,000,000) from the build Indiana fund under IC 4-30-17 to the Indiana finance authority to**
40 **provide funding for the construction or financing of public water supply systems serving Ripley,**
41 **Decatur, and Jennings counties, beginning July 1, 2007, and ending June 30, 2009. The purposes**
42 **for which the appropriation may be used include use of the appropriation by the Indiana finance**
43 **authority to hire engineers, financial analysts and other experts to investigate problems with the**
44 **availability or quality of public water and develop proposed solutions. After review by the**
45 **budget committee the Indiana finance authority may enter into agreements and take any actions**
46 **necessary to finance projects designed to improve the availability and delivery of water to the**
47 **public, including the distribution of one (1) or more grants to an entity providing water in any**
48 **combination of Ripley County, Decatur County, or Jennings County.**

49 SECTION 300. [EFFECTIVE UPON PASSAGE] **(a) The definitions in IC 6-1.1-1, IC 6-1.1-20.9,**
50 **and IC 6-1.1-21 apply throughout this SECTION.**

1 (b) Subject to appropriation of money from the property tax reduction trust fund for an
2 additional 2007 homestead credit, the department of local government finance shall calculate
3 and certify to the department of state revenue and the county auditor of each county an
4 additional homestead credit amount for property taxes first due and payable in 2007. The
5 additional homestead credit shall be paid as a refund as provided in this SECTION for part of
6 the tax liability (as defined in IC 6-1.1-21-5) imposed on the taxpayer's homestead for the March
7 1, 2006, or January 15, 2007, assessment date. The department of local government finance shall
8 make the certification based on the best information available at the time the certification is
9 made. Not later than November 1, 2007, the department of state revenue shall distribute to the
10 county treasurer of each county the amount certified for the county under this subsection. The
11 county treasurer shall deposit the amount distributed in a separate account and use the money
12 only for the purposes of providing property tax refunds under this SECTION.

13 (c) At the same time as the department of local government finance makes the certification
14 under subsection (b), the department of local government finance shall certify to the county
15 auditor of each county the percentage that would apply in each taxing district to provide an
16 additional 2007 homestead credit to taxpayers in the taxing district. The county auditor shall use
17 the certified percentage to determine the amount of the refund due to each taxpayer. The county
18 auditor shall certify the amount of the refund for each taxpayer to the county treasurer not later
19 than the December 20, 2007, settlement date. IC 6-1.1-26 does not apply to a refund granted
20 under this SECTION. The amount of the refund is equal to the lesser of the following:

21 (1) The amount of the taxpayer's tax liability (as defined in IC 6-1.1-21-5) on a homestead
22 for the March 1, 2006, or January 15, 2007, assessment date, after the application of all
23 other credits.

24 (2) The additional 2007 homestead credit determined for the taxpayer.

25 The department of local government finance, the department of state revenue, and the property
26 tax replacement fund board shall take the actions necessary to carry out this SECTION.

27 (d) The amount of the refund shall be applied first against any delinquent property taxes
28 owed in the county by the taxpayer. The county auditor shall issue a warrant for or authorize
29 disbursement by electronic transfer of the remainder of the refund. The refund shall be:

30 (1) mailed to the last known address of each person liable for any property taxes or special
31 assessment, as shown on the tax duplicate or special assessment records, or to the last
32 known address of the most recent owner shown in the transfer book; or

33 (2) transmitted by written, electronic, or other means to a mortgagee maintaining an
34 escrow account for a person who is liable for any property taxes or special assessments, as
35 shown on the tax duplicate or special assessment records.

36 (e) In addition, the county auditor shall mail to the last known address of each person liable
37 for any property taxes or special assessment on each homestead in the county, as shown on the
38 tax duplicate or special assessment records, or to the last known address of the most recent
39 owner shown in the transfer book a written explanation of the refund. The explanation must
40 include the amount of the refund specified in the following statement in at least 12 point type:

41 "A portion of your local property taxes due in 2007 are being refunded due to tax relief
42 provided by the Indiana General Assembly. Your refund is in the amount of \$_____
43 (insert amount of refund). If you did not receive a check because you pay your property
44 taxes through an escrow account along with your mortgage, your lender will receive the
45 refund and should adjust your payments accordingly."

46 (f) Any part of the amount distributed to a county under this SECTION that is not applied
47 or refunded as provided in this SECTION shall be transferred to the auditor of state for deposit
48 in the property tax reduction trust fund.

49 (g) This SECTION expires January 1, 2009.

50 SECTION 301. [EFFECTIVE UPON PASSAGE] (a) The definitions in IC 6-1.1-1, IC 6-1.1-20.9,

1 and IC 6-1.1-21 apply throughout this SECTION.

2 (b) Subject to appropriation of money from the property tax reduction trust fund for an
3 additional 2008 homestead credit, the department of local government finance shall calculate
4 and certify to the department of state revenue and the county auditor of each county an
5 additional homestead credit amount for property taxes first due and payable in 2008. The
6 department of local government finance shall certify to the county auditor of each county the
7 percentage that will apply in each taxing district to provide the additional 2008 homestead credit
8 to taxpayers in the taxing district. The department of local government finance, the department
9 of state revenue, and the property tax replacement fund board shall take the actions necessary
10 to apply the additional 2008 homestead credit under this SECTION.

11 (c) This SECTION expires July 1, 2009.

12 SECTION 302. IC 4-33-6-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
13 PASSAGE]: Sec. 7. (a) In granting a license under this chapter, the commission may give favorable
14 consideration to the following:

15 (1) Economically depressed areas of Indiana.

16 (2) Applicants presenting plans that provide for significant economic development over a large
17 geographic area.

18 (b) This subsection applies to any owner's license issued for a city described in section 1(a)(1) of
19 this chapter. The commission must require the applicant to provide assurances that economic
20 development will occur in the city and that adequate infrastructure and site preparation will be
21 provided to support the riverboat operation. In order to prove the assurance that economic development
22 will occur, the applicant must:

23 (1) construct or provide for the construction of an approved hotel; or

24 (2) cause economic development that will have an economic impact on the city that exceeds the
25 economic impact that the construction of an approved hotel would have.

26 (c) This subsection applies to an owner's license issued for the City of East Chicago. If a
27 controlling interest in the owner's license is transferred, the fiscal body of the City of East
28 Chicago may adopt an ordinance voiding any term of the development agreement (as defined
29 by IC 36-1-8-9.5) between:

30 (1) the city; and

31 (2) the person transferring the controlling interest in the owner's license;

32 that is in effect as of the date the controlling interest is transferred. The ordinance may provide
33 for any payments made under the redevelopment agreement, including those held in escrow, to
34 be redirected to the City of East Chicago for use as directed by ordinance of the city fiscal body.
35 A requirement to redirect a payment is valid to the same extent as if the requirement had been
36 part of the original agreement. If the ordinance provides for the voiding and renegotiation of
37 any part of a redevelopment agreement, the mayor of the City of East Chicago may negotiate
38 with the person acquiring a controlling interest in the owner's license to replace any terms
39 voided by the ordinance. Terms negotiated under this subsection must be ratified in an
40 ordinance adopted by the city legislative body.

41 SECTION 303. IC 20-12-1-12, AS ADDED BY P.L.246-2005, SECTION 123, IS AMENDED TO
42 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 12. (a) This section applies
43 notwithstanding IC 20-12-23-2, IC 20-12-36-4, IC 20-12-56-5, IC 20-12-57.5-11, and IC 20-12-64-5.

44 (b) As used in this section, "academic year" has the meaning set forth in IC 20-12-76-1.

45 (c) As used in this section, "state educational institution" has the meaning set forth in
46 IC 20-12-0.5-1.

47 (d) Subject to subsection (h), a state educational institution shall set tuition and fee rates for a two
48 (2) year period. The rates shall be set according to the procedure set forth in subsection (e) and:

49 (1) on or before ~~May~~ June 30 of the odd numbered year; or

(2) ~~thirty (30)~~ **sixty (60)** days after the state budget bill is enacted into law;
whichever is later.

(e) A state educational institution shall hold a public hearing before adopting any proposed tuition and fee rate increases. The state educational institution shall give public notice of the hearing at least ten (10) days before the hearing. The public notice shall include the specific proposal for tuition and fee rate increases and the expected uses of the revenue to be raised by the proposed increases. The hearing shall be held:

(1) on or before May ~~15~~ **31** of each odd numbered year; or

(2) ~~fifteen (15)~~ **thirty-one (31)** days after the state budget bill is enacted into law;
whichever is later.

(f) After a state educational institution's tuition and fee rates are set under this section, the state educational institutions may adjust the tuition and fee rates only if appropriations to the state educational institution in the state budget act are reduced or withheld.

(g) If a state educational institution adjusts its tuition and fee rates under subsection (f), the total revenue generated by the tuition and fee rate adjustment must not exceed the amount by which appropriations to the state educational institution in the state budget act were reduced or withheld.

(h) For tuition and fees set by a state educational institution before July 1, 2007, a state educational institution must appear before the state budget committee before June 30, 2007. The state budget committee shall review the tuition and fees proposed by the state educational institution under subsection (e).

(i) After July 1, 2007, the commission for higher education shall recommend biennially nonbinding tuition targets based on the mission of the state educational institution. The board of trustees of a state educational institution may set a tuition rate that exceeds the tuition target only if the proposed tuition rate is reviewed by both the commission for higher education and the state budget committee before the later of the following:

(1) June 30 in the odd-numbered year.

(2) Sixty (60) days after the state budget is adopted for the biennium beginning in the odd-numbered year.

SECTION 304. IC 10-11-2-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 27. (a) The board shall categorize salaries of motor carrier inspectors within each rank based upon the rank held and the number of years of service in the department through the tenth year. The salary ranges the board assigns to each rank shall be divided into a base salary and ten (10) increments above the base salary, with:

(1) the base salary in the rank paid to a person with less than one (1) year of service in the department; and

(2) the highest salary in the rank paid to a person with at least ten (10) years of service in the department.

(b) For purposes of creating the salary matrix prescribed by this section, the board may not approve salary ranges for any rank that are less than the salary ranges effective for that rank on January 1, 1995.

(c) The salary matrix prescribed by this section:

(1) shall be reviewed and approved by the budget agency before implementation; and

(2) must include the job classifications of motor carrier district coordinator, motor carrier zone coordinator, and motor carrier administrator.

(d) The money needed to fund the salaries resulting from the matrix prescribed by this section must come from the appropriation from the professional and technical equity fund.

SECTION 305. IC 7.1-2-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 13. (a) The alcohol and tobacco commission shall categorize salaries of enforcement officers within each rank based upon the rank held and the number of years of service in the

1 commission through the ~~tenth~~ **twentieth** year. The salary ranges that the board assigns to each rank
2 shall be divided into a base salary and ~~ten~~ **(10)** ~~twenty~~ **(20)** increments above the base salary with:

3 (1) the base salary in the rank paid to a person with less than one (1) year of service in the
4 commission; and

5 (2) the highest salary in the rank paid to a person with at least ~~ten~~ **(10)** ~~twenty~~ **(20)** years of
6 service in the commission.

7 ~~(b) For purposes of creating the salary matrix prescribed by this section, the alcohol and tobacco~~
8 ~~commission may not approve salary ranges for any rank that are less than the salary ranges effective~~
9 ~~for that rank on January 1, 1995.~~

10 ~~(c) (b)~~ The salary matrix prescribed by this section shall be reviewed and approved by the budget
11 agency before implementation.

12 ~~(d) The money needed to fund the salaries resulting from the matrix prescribed by this section shall~~
13 ~~come from the state general fund.~~

14 ~~(e) (c)~~ The salary matrix prescribed by this section must have parity with the salary matrix
15 prescribed by the natural resources commission under IC 14-9-8 for conservation officers of the
16 department of natural resources. The budget agency shall approve a salary matrix that meets the parity
17 requirement of this subsection.

18 SECTION 306. IC 10-11-2-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
19 2007]: Sec. 13. (a) The board shall categorize salaries of police employees within each rank based
20 upon the rank held and the number of years of service in the department through the ~~tenth~~ **twentieth**
21 year. The salary ranges the board assigns to each rank shall be divided into a base salary and ~~ten~~ **(10)**
22 ~~twenty~~ **(20)** increments above the base salary, with:

23 (1) the base salary in the rank paid to a person with less than one (1) year of service in the
24 department; and

25 (2) the highest salary in the rank paid to a person with at least ~~ten~~ **(10)** ~~twenty~~ **(20)** years of
26 service in the department.

27 ~~(b) For purposes of creating the salary matrix prescribed by this section, the board may not approve~~
28 ~~salary ranges for any rank that are less than the salary ranges effective for that rank on January 1,~~
29 ~~1995.~~

30 ~~(c) (b)~~ The salary matrix prescribed by this section shall be reviewed and approved by the budget
31 agency before implementation.

32 SECTION 307. IC 14-9-8-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,
33 2007]: Sec. 28. (a) The natural resources commission shall categorize salaries of enforcement officers
34 within each rank based upon the rank held and the number of years of service in the department
35 through the ~~tenth~~ **twentieth** year. The salary ranges that the commission assigns to each rank shall be
36 divided into a base salary and ~~ten~~ **(10)** ~~twenty~~ **(20)** increments above the base salary with:

37 (1) the base salary in the rank paid to a person with less than one (1) year of service in the
38 department; and

39 (2) the highest salary in the rank paid to a person with at least ~~ten~~ **(10)** ~~twenty~~ **(20)** years of
40 service in the department.

41 ~~(b) For purposes of creating the salary matrix prescribed by this section, the natural resources~~
42 ~~commission may not approve salary ranges for any rank that are less than the salary ranges effective~~
43 ~~for that rank on January 1, 1995.~~

44 ~~(c) (b)~~ The salary matrix prescribed by this section shall be reviewed and approved by the state
45 budget agency before implementation.

46 ~~(d) (c)~~ The salaries for law enforcement officers of the law enforcement division of the department
47 must be equal to the salaries of police employees of the state police department under IC 10-11-2-13,
48 based upon years of service in the department and rank held.

49 ~~(e) The money needed to fund the salaries resulting from the matrix prescribed by this section shall~~

1 come from the appropriation from the professional and technical equity fund.
2 ~~(f)~~ **(d)** The requirement of subsection ~~(d)~~ **(c)** does not affect:
3 (1) any rights or liabilities accrued; or
4 (2) any proceedings begun;
5 on or before June 30, 1999. Those rights, liabilities, and proceedings continue and shall be imposed
6 and enforced under prior civil law and procedure as if the requirement of subsection ~~(d)~~ **(c)** had not
7 been enacted.
8 **SECTION 308. An emergency is declared for this act.**
9 (Reference is to EHB 1001 as reprinted April 11, 2007.)

Conference Committee Report
on
Engrossed House Bill 1001

Signed by:

Representative Crawford
Chairperson

Senator Meeks R

Representative Cochran

Senator Mrvan

House Conferees

Senate Conferees